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The Children's Market: Infants', Toddlers', Girls', Boys' (Apparel, Playthings & Related Products)

FAIRCHILD FACT FILE

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DEMOGRAPHIC TRENDS

Characteristics of the baby/small child market are shaped by the characteristics of their mothers to a large extent, and many changes have occurred in the demographics in recent years that will continue to affect marketers. Notable developments include the increase in single mothers and the growing percentage of mothers represented by older age groups. While women in their 20's will continue to account for most births, women age 35 to 39 are expected to represent a growing share through the year 1995. Other entrenched trends include the increasing percentage of mothers of young children who are in the labor force, and the growing number who are of minority races.

Characteristics of new mothers in 1986 and 1987 compared with 1976 show the changes in the demographics that are having an impact on the market.

Selected Characteristics of Mothers Age 18 to 44 Who Have Had a Child In the 12 Months Ending June: 1976, 1986, 1987

	1987	1986	1976	% Change 1987/1976
Women age 18 to 44 who have had a child in the 12 month period	3,701	3,625	2,797	32.2%
Total percent	100.0%	100.0%	100.0%	--
Educational level				
Less than high school	19.7	20.2	28.0	- 6.9
High school, 4 years	42.9	43.5	45.5	24.8
College, 1-3 years	20.0	19.2	14.8	79.7
College, 4 or more years	17.3	17.0	11.7	95.1
Birth order & age of women at:				
First birth	38.6	37.5	38.7	32.0
18 to 24 years	18.3	17.9	24.8	- 2.2
25 to 29 years	13.2	12.2	10.9	59.1
30 to 44 years	7.1	7.4	2.9	219.5
Second or higher order birth	61.4	62.5	61.3	32.5
18 to 24 years	16.1	15.5	21.3	16.8
25 to 29 years	20.5	22.0	22.3	21.5
30 to 44 years	24.8	25.0	17.7	85.4
Race and Hispanic origin				
White	79.4	81.4	83.2	26.2
Black	15.1	14.3	14.5	37.6
Hispanic*	11.1	11.8	na	--
Not Hispanic	88.9	88.2	na	--
Marital status				
Married, husband present	77.4	79.0	83.3	22.9
Widowed, divorced, separated**	6.8	7.8	8.0	12.0
Single	15.8	13.2	8.6	141.9
In the Labor Force	50.8	49.8	31.0	117.5

* Persons of Hispanic origin may be of any race.
**Includes married, husband not present.

Source: U.S. Bureau of the Census, Current Population Reports: Fertility of American Women: June 1987 (Series P-20, No. 427)

DEMOGRAPHIC TRENDS

Over half of the 3,701,000 women 18 to 44 years of age with newborn children were in the labor force in 1987, up from 38% in 1980 and from 31% in 1976; 1,665,000 women with infants were employed at the time of the 1987 survey by the Census Bureau while 216,000 were unemployed, and the rest were not in the labor force. Labor force participation rates were highest for more educated, older and first-time mothers. In the period ending June 1987, 53% of women age 25 to 44 with recent births were in the labor force compared with 47% of women 18 to 24 years. Two-thirds of women 25 years old and over having their first birth were in the labor force in June 1987, compared with 54% of women under 25 years of age having their first birth. Child care services are no doubt more available and more affordable for women with only one child and for older and more educated mothers.

Births

An estimated 3,913,000 babies were born in the U.S. during 1988, 2% more than the provisional total reported for 1987, and representing the largest number reported since 1964.

Census Bureau population projections indicate that the total number of women in the childbearing ages will increase by less than 1% annually between 1988 and 1991. This indicates a small, if any, increase in birth totals in coming years unless there is a considerable increase in some age-specific birth rates. A leveling off in birth totals seems indicated, then a decline to about 3.5 million by year 1995, to below 3.4 million by year 2000.

Registered Live Births in the U.S.,
Selected Years, 1960-1988
(Thousands)

Year	Number (000)
1988	3,913.0 (p)
1987	3,829.0 (p)
1986	3,756.5
1985	3,760.6
1980	3,612.3
1975	3,144.2
1970	3,731.4
1965	3,760.4
1960	4,257.8

(p) preliminary

Source: U.S. Dept. of Health and Human Services, National Center for Health Statistics: Monthly Vital Statistics Report

DEMOGRAPHIC TRENDS

Birth Order

Most families with children have just one; and a high percentage of births--over 41%--are first births. This is good news for marketers of baby products, along with the fact that mothers are increasingly older and more affluent (although it must not be forgotten that some 20% of babies are born into households at the poverty level). The more-favored first-borns generally benefit from a greater outlay for the nursery than needed for a second child or later arrival. It has been estimated that parents spend only 69% as much on a second child as they do on their first. Doting grandparents are also available to a greater extent than ever, due to longevity and greater affluence, to shower babies with gifts, representing an important segment of the baby business.

It should be noted that there is a difference between the total number of women giving birth in a 12-month period, and the total number of babies born. It is possible for a women to give birth more than once in a calendar 12-month period; and a single mother may have more than one child at a time (twins, triplets, etc.)

Live-Birth Order--Percent of Total Births in Selected Years, 1972-1986

	1986	1985	1984	1979	1972
Total live births	100.0%	100.0%	100.0%	100.0%	100.0%
Birth order:					
First	41.4	41.4	41.7	42.3	39.6
Second	32.8	33.1	33.0	32.0	28.5
Third	15.7	15.6	15.3	15.1	14.1
Fourth & higher	9.6	9.5	9.5	10.7	15.0
Not stated	0.5	0.6	0.5	--	2.8

Source: U.S. Dept. of Health & Human Services, National Center for Health Statistics: Advance Report of Final Natality Statistics, 1986 (July 12, 1988)

Sex Ratio In Births/Birth Pattern

The sex ratio at birth in 1986 was 1,051 males per 1,000 females. Since 1967, there has been little annual variation in the sex ratio, with a range of 1,050 to 1,055 in this period. The ratio for white births was 1,053 males in 1986; for black births, 1,034 in 1986 per 1,000 females.

Births tend to peak in the month of August (9% of the total in 1986 and 1987) and are lowest in February and April.

DEMOGRAPHIC TRENDS

Population Projections

The Census Bureau periodically releases projections on the U.S. population by sex and age (including armed forces overseas). The report covers three series, each based on different assumptions as to the future growth in fertility, mortality and net immigration.

According to the middle series, the number of children under age 3 will decline 9.6% in the next 17 years; children age 3 to 5 will decline 8.1%; ages 6 to 9 years, will decline 3.5%.

Older children, however, will increase in number, reversing the declines in recent years. Children age 10 to 14 will increase by 11.8%, while those age 15 and 16 will gain 13.1% between 1988 and year 2005.

Population Projections By Sex & Single Years of Age Under 17 Years: 1988, 1995, 2005
(Middle Series Projections*)
(Numbers in thousands)

	Total		
	1988	1995	2005
Total all ages	246,048	260,138	275,604
Total under age 17	59,775	62,705	60,203
Under age 3, total	10,972	10,493	9,914
Under 1 year	3,746	3,531	3,383
Age 1	3,615	3,458	3,265
Age 2	3,611	3,504	3,266
Ages 3 to 5, total	10,965	11,036	10,078
Age 3	3,693	3,610	3,326
Age 4	3,604	3,696	3,371
Age 5	3,668	3,730	3,381
Age 6 to 9, total	14,345	15,030	13,847
Age 6	3,657	3,750	3,402
Age 7	3,682	3,810	3,490
Age 8	3,513	3,682	3,409
Age 9	3,493	3,788	3,546
Ages 10 to 14, total	16,606	18,847	18,575
Age 10	3,448	3,876	3,650
Age 11	3,384	3,702	3,654
Age 12	3,228	3,760	3,690
Age 13	3,301	3,767	3,758
Age 14	3,246	3,742	3,823
Ages 15 & 16, total	6,889	7,299	7,789
Age 15	3,351	3,715	3,889
Age 16	3,538	3,584	3,900

(continued)

Population Projections (continued)

Population Projections By Sex & Single Years of Age Under 17 Years: 1988, 1995, 2005
(Middle Series Projections*)
(Numbers in thousands)
(continued)

	Boys			Girls		
	1988	1995	2005	1988	1995	2005
Total all ages	120,054	127,123	134,858	125,995	133,016	140,746
Total under age 17	30,607	32,123	30,872	29,168	30,582	29,330
Under age 3, total	5,618	5,377	5,084	5,354	5,116	4,829
Under 1 year	1,918	1,809	1,735	1,828	1,722	1,648
Age 1	1,853	1,774	1,676	1,762	1,684	1,589
Age 2	1,847	1,794	1,673	1,764	1,710	1,592
Ages 3 to 5, total	5,609	5,650	5,165	5,355	5,386	4,914
Age 3	1,388	1,848	1,704	1,805	1,762	1,622
Age 4	1,844	1,893	1,729	1,759	1,803	1,643
Age 5	1,877	1,909	1,732	1,791	1,821	1,649
Age 6 to 9, total	7,341	7,699	7,100	7,004	7,331	6,747
Age 6	1,870	1,920	1,743	1,787	1,830	1,658
Age 7	1,885	1,952	1,790	1,797	1,858	1,700
Age 8	1,799	1,887	1,749	1,714	1,794	1,660
Age 9	1,787	1,940	1,818	1,706	1,849	1,729
Ages 10 to 14, total	8,514	9,660	9,530	8,092	9,187	9,044
Age 10	1,768	1,988	1,875	1,680	1,889	1,776
Age 11	1,735	1,897	1,874	1,649	1,805	1,780
Age 12	1,653	1,927	1,892	1,574	1,832	1,797
Age 13	1,693	1,929	1,927	1,608	1,838	1,831
Age 14	1,664	1,919	1,962	1,580	1,823	1,860
Ages 15 & 16, total	3,525	3,737	3,993	3,364	3,562	3,796
Age 15	1,715	1,902	1,994	1,636	1,813	1,895
Age 16	1,810	1,835	1,999	1,728	1,749	1,901

* Middle of a series of three different population projections, each based on alternative assumptions for future fertility, mortality and net immigration levels. Includes Armed Forces overseas.

Note: Columns may not add to totals shown due to rounding.

Source: U.S. Bureau of the Census, Current Population Reports: Population Projections of the U.S. by Age, Sex and Race, 1988-2080 (Series P-25, No. 1018)

Population Projections (continued)

Population Projections of Children Under 18: Distribution By Regions: 1986,-2000, 2010

	Age Groups	
	Under 5	5 - 17
1986:		
United States	100.0%	100.0%
Northeast	18.5	19.3
Midwest	24.2	25.2
South	34.9	35.3
West	22.4	20.2
2000:		
United States	100.0	100.0
Northeast	17.8	18.5
Midwest	22.6	22.9
South	36.0	36.0
West	23.6	22.7
2010		
United States	100.0	100.0
Northeast	16.8	17.9
Midwest	21.5	21.6
South	36.6	36.8
West	25.2	23.7

Source: U.S. Bureau of the Census, Current Population Reports: Population Projections of the U.S. by Age, Sex and Race (Series P-25, No. 1017)

Living Arrangements/Family Income Levels

Of the Nation's 65.1 million families, over half (33.2 million) have no children under age 18 living at home. The number of American families headed by single parents has increased from 9% of all households with children in 1960 to about 25%. In 1987, out of a total of 62.5 million dependent children under 18, 96.1% (61.1 million) lived with one or both parents. Those living with both represented 72.4%, with mother only, 21.1%; with father only, 2.6%. Other living arrangements accounted for about 4%.

A Census Bureau report focuses on children under 18 years of age living with both parents (close to 46 million), with mother only (13.4 million) and with father only (1.6 million). As of March 1987, the mean income for all families with own children under 18 was $31,685. For two parent families, it was $37,864, however, the mean was only $11,447 for mother-only families and $24,010 for the relatively few father-only families.

Living Arrangements/Family Income Levels (continued)

As children grow older, the study shows that among White and Hispanic children a decreasing percentage are in families with two parents. However, the percentage increases among Black children. In all age groups, most Black children are in single parent families--primarily with their mothers.

The income level of parental families with older children is, as expected, higher than the average for one- or two-parent families with young children only.

Distribution of Children Living With Parents (Both or Single)
By Family Income Level: March 1987
(Number in thousands)

Age:	Under 18, total		Under 6 Years		6-11 Years		12-17 Years	
	Number	%	Number	%	Number	%	Number	%
Total	61,080	100.0%	21,288	100.0%	19,896	100.0%	9,797	100.0%
Family income:								
Under $10,000	11,314	18.5	4,828	22.6	3,711	18.7	2,755	14.0
$10,000 - $19,999	10,890	17.8	4,035	18.9	3,633	18.3	3,221	16.3
$20,000 - $29,999	11,222	18.4	4,118	19.3	3,770	18.9	3,332	16.8
$30,000 - $39,999	10,083	16.5	3,304	15.4	3,394	17.1	3,384	17.1
$40,000 - $49,999	6,882	11.3	2,145	10.0	2,195	11.0	2,542	12.8
$50,000 & over	10,690	17.5	2,955	13.8	3,192	16.0	4,543	23.0
Mean	$31,685		$28,572		$30,749		$35,990	

Source: U.S. Bureau of the Census, Current Population Reports:
Marital Status and Living Arrangements: March 1987
(Series P-20, No. 423)

Including children living with parents as well as with relatives other than parents, the Census Bureau has reported on the distribution of the 62,305,000 total in 1987 by family income. Details covered 34 million families, including 25.5 million married couple families, 7.1 million with a female head, no husband present. (Other family situations are included in the total.)

Living Arrangements/Family Income Levels (continued)

Distribution of Related Children Under 18 Years
By Family Income: 1987
(Number in thousands)

	Total Families	Married Couple Families	Female Head (No Husband Present)
Number of families	33,958	25,536	7,152
Number of children	62,305	47,422	12,931
Percent of children	100.0%	100.0%	100.0%
By family income:			
Under $10,000	15.8	6.1	50.7
$10,000 - $19,999	17.1	14.5	25.4
$20,000 - $24,999	8.7	8.8	7.6
$25,000 - $34,999	17.3	19.6	8.6
$35,000 - $49,999	20.7	25.3	5.2
$50,000 & over	20.4	25.7	2.5
Median income	$29,892	$35,423	$ 9,838

Source: U.S. Bureau of the Census, Current Population Reports: Money Income of Households, Families and Persons in the United States: 1987 (Series P-60, No. 162)

At the top of the scale, 2,369,000 families with related children were in the $75,000 and over annual income bracket in 1987. These families had 3,957,000 children under 18 years of age. In the $60,000 to $74,999 bracket, the Census Bureau counted 2,251,000 families with 3,839,000 children. One out of five children were in families with 1987 income of $50,000 or more.

The growing proportion of young children with working mothers has had major implications for the development of child care-related products and facilities, as well as products making life easier for mother. In the majority of families with children under 18, no adults other than the parent are present. This is true for both single parent and two-parent families.

In 1987, 85.6% of children under 18 who lived with a parent were in families where one or both parents were in the labor force (i.e. employed or actively seeking employment). Of children in two-parent White and Black families, half had two working parents. Among Hispanics, only 38% had two working parents.

School Enrollment

Enrollment of Children Age 3 & Older By Level:
Nursery School, Kindergarten, Elementary School
October 1986, 1985, 1981
(Number in thousands)

	1986	1985	1981	% Change 1986/81
Total	33,635	33,172	33,014	1.9%
Nursery school	2,553	2,491	2,058	24.0
Kindergarten	3,961	3,815	3,161	25.3
Elementary school	27,121	26,866	27,795	- 2.4

Source: U.S. Bureau of the Census, Current Population Reports: School Enrollment-Social and Economic Characteristics of Students (August 1988) (Series P-20, No. 429)

DEMOGRAPHIC TRENDS

Nursery School, Kindergarten (Age 3 to 6)

Enrollment Status for Nursery School & Kindergarten Students
Age 3 to 6 Years Old By Selected Characteristics: October, 1986
(Number in thousands)

	Total		Male		Female	
	Number	%	Number	%	Number	%
Enrolled students, all races	6,515	100.0%	3,394	100.0%	3,121	100.0%
By age:						
3 years old	1,041	16.0	551	16.2	491	15.7
4 years old	1,772	27.2	897	26.4	874	28.0
5 years old	3,157	48.5	1,615	47.6	1,542	49.4
6 years old	544	8.3	331	9.7	214	6.9
Level & control						
Nursery school	2,554	39.2	1,318	38.8	1,235	39.6
Public	835	12.8	458	13.5	377	12.1
Private	1,719	26.4	861	25.4	858	27.5
Kindergarten	3,961	60.8	2,076	61.2	1,885	60.4
Public	3,328	51.1	1,726	50.8	1,602	51.3
Private	633	9.7	350	10.3	283	9.1
Race/origin:						
White	5,305	81.4	2,788	82.1	2,517	80.6
Black	962	14.8	482	14.2	480	15.4
Hispanic origin*	644	9.9	334	9.8	310	9.9

Elementary/High School (Age 7 to 17 Years)

Enrollment Status of Persons Age 7 to 17 Years By Sex:
Selected Characteristics: October 1986
(Number in thousands)

	Male		Female	
	Number	%	Number	%
Age groups:				
Age 7 to 9 years				
Total number	5,193	100.0%	4,935	100.0%
Enrolled in school	5,163	99.4	4,894	99.2
White	4,194	80.9	3,968	80.4
Black	785	15.1	763	15.5
Hispanic origin*	541	10.4	510	10.3
Age 10 to 17 years				
Total number	14,150	100.0	13,512	100.0
Enrolled in school**	13,700	96.8	13,099	96.9
White	11,097	78.4	10,585	78.3
Black	2,081	14.7	2,029	15.0
Hispanic origin*	1,311	9.3	1,333	9.9

*Persons of Hispanic origin may be of any race.
**A small number of youths under 18 are enrolled in college--including as of October 1986, 90,000 boys and 127,000 girls.

Source: U.S. Bureau of the Census, Current Population Reports:
School Enrollment-Social and Economic Characteristics of Students
(October 1986) (Series P-20, No. 429)

THE CHILDREN'S MARKET: APPAREL & FOOTWEAR

Market Trends

The composition of the children's wear target market is shaped by birth totals. While future birth totals are hard to predict, recent annual totals shape reliable forecasts for older age groups.

Census Bureau population projections anticipate a rise in the number of children under age 5, from a 1987 level of 18.3 million to about 18.4 million in 1990. The number may then fall to 16.9 million in 2000 and remain between 16 and 17 million until 2050. These are middle projections, out of a series of three by the Bureau, based on different assumptions as to the future course of births.

The elementary-school-age population (5 to 13 years) is expected to be about 3 million larger in 1995 than in 1987, reaching 33.1 million, then decline in 2005 to about 32 million by 2005, according to this Census Bureau series. It will then fluctuate between 30 and 32 million until 2050.

The high-school-age group (14 to 17 years) is projected to decline from 14.5 million in 1987 to 13.2 million in 1990, reflecting the baby bust of the mid-1970's. By 1995, however, the group should rebound to its current size and then remain at least that large through 2005 or 2010 in all three projection series.

Trade reports showed children's wear manufacturers generally optimistic, anticipating gains of about 10% in 1989 compared with 1988. In the 1989 U.S. Industrial Outlook, the Department of Commerce reported a gain of 5.1% in 1988 in the value of U.S. shipments of children's dresses and blouses, and 3.4% compared with 1987 in children's coats and suits. Adjusted for inflation, the gains shrank to 2.2% and 1.0%, respectively.

The optimistic view of manufacturers in general is in the face of continued problems, including the growth in imports. Some large manufacturers, however, have been able to benefit by the lower value of the dollar and have increased their exports. Branded line manufacturers are faced with competition from private labels, and larger resources have had to develop both branded lines and lines for private labels.

Competition among suppliers has grown due to the consolidation of large stores as a result of mergers and leveraged buyouts. A smaller customer base and a change in retailers' buying patterns has resulted, which has been particularly hard on smaller manufacturers.

Fashion and trendiness dominates children's wear. Youngsters are sophisticated and aware of the latest, the "in" look, at an early age and mothers and grandmothers are anxious for their offspring to keep up with their peers. This has helped the development of large specialty store chains, such as Kids 'R' Us, the GapKids, and others, as well as discount stores, which are able to carry a large choice of kid's apparel. Many better department stores have abandoned lower-priced lines to discounters and shifted their focus to designer collections. These stores have gone along with the trend for youngsters to dress like their elders.

Market Trends (continued)

Children's wear accounts for a large segment of licensed apparel and accessories which have a total retail volume of about $20 billion. Some large retailers have entered into exclusive licensing arrangements of their own. Sears Roebuck teamed up with McDonald's to sell a line of McKids apparel for infants through size 7. Licensed characters, Disney and others, have formed the background for shops featuring a complete line of merchandise in large stores such as Macy's and Marshall Field. The Disney company itself has not opened its own The Disney Stores, fostering further growth of licensed children's and other products. Other stores have licensed designer names in children's wear, appealing to mothers familiar with these labels.

While there are a few "classics" which consistently appeal and which have benefitted from tremendous promotional thrusts, retailers are under constant pressure to be on top of the name or character of the moment, or be ready with a better attraction. They must now also be conscious of growing inflation, and the possibility of consumer resistance if prices get out of hand.

GENERAL INDUSTRY STATISTICS: APPAREL

A complete census of all manufacturing plants in the U.S. (with one or more paid employees) is compiled every five years by the U.S. Bureau of the Census. Results from the latest (1982), covering operations in the children's wear industry, are covered below. Comparable data has also been reported by the Census Bureau for 1985 and 1986 based on annual surveys among samples of manufacturers which develop estimates on key measurements of manufacturing activity during intercensal periods.

Compilation of the survey of manufactures covering 1987 data is currently underway by the Census Bureau. It is expected to show a continued decline in the number of companies and plants operating in specific segments of the children's wear industry due to the mergers and consolidations in the apparel industry in recent years, as well as to the closings caused by competition from imports.

The value of all products shipped and miscellaneous receipts in the industry segments listed below all registered declines in 1986 compared with 1985 when measured in current dollars in the annual surveys of manufactures. In the estimates on industry shipments compiled by the Department of Commerce for later years, the trend in both current and constant dollars is reported for 1986 through 1988.

GENERAL INDUSTRY STATISTICS: APPAREL

Children's Dresses & Blouses (SIC 2361*)

	1986	1985	1982	% Change 1986/85
Number of companies	na	na	490	--
Number of establishments, total**	442	460	556	- 3.9%
Number with 20 or more employees**	298	304	391	- 2.0
Employees, total (thous.)	25.6	26.7	37.7	- 4.1
Production workers (thous.)	21.3	22.3	32.4	- 4.5
Payroll (mil. $)	$ 287.2	$ 291.9	$ 357.3	- 1.6
Value added by manufacture# (mil. $)	685.2	678.6	745.9	1.0
Value of industry shipments## (mil. $)	1,247.3	1,268.7	1,417.7	- 1.7
Capital expenditures, new (mil. $)	6.8	13.2	11.6	-48.5
New machinery and equipment (mil. $)	6.0	11.7	9.1	-48.7

Children's Coats & Suits (SIC 2363*)

	1986	1985	1982	% Change 1986/85
Number of companies	na	na	71	--
Number of establishments, total**	44	57	81	-22.8%
Number with 20 or more employees**	29	33	51	-12.1
Employees, total (thous.)	3.1	3.6	6.3	-13.9
Production workers (thous.)	2.9	3.3	5.5	-12.1
Payroll (mil. $)	$ 33.3	$ 36.4	$ 52.6	- 8.5
Value added by manufacture# (mil. $)	79.2	88.9	103.6	-10.9
Value of industry shipments## (mil. $)	136.1	144.6	193.1	- 5.9
Capital expenditures, new (mil. $)	0.6	0.9	1.4	-33.3
New machinery and equipment (mil. $)	0.3	na	0.9	--

Children's Outerwear, Not Elsewhere Classified (SIC 2369*)

	1986	1985	1982	% Change 1986/85
Number of companies	na	na	279	--
Number of establishments, total**	321	316	332	1.6%
Number with 20 or more employees**	212	213	216	- 0.5
Employees, total (thous.)	26.6	29.6	27.6	-10.1
Production workers (thous.)	22.2	25.2	23.3	-11.9
Payroll (mil. $)	$294.3	319.9	$262.8	- 8.0
Value added by manufacture# (mil. $)	726.1	702.8	597.8	3.3
Value of industry shipments## (mil. $)	1,341.0	1,327.6	1,102.4	1.0
Capital expenditures, new (mil. $)	11.3	12.5	17.1	- 9.6
New machinery and equipment (mil. $)	9.9	9.3	12.0	6.5

na not available

(footnotes continued on next page)

(footnotes continued)

* Manufacturing establishments are classified by industry under the Standard Industrial Classification (SIC) system (1972) determined by the principal product made, as shown below. (Knitting mills are not included).

SIC 2361 comprises establishments primarily engaged in manufacturing girls', children's, toddlers' and infants' dresses, blouses, and shirts from purchased woven or knit fabric.

SIC 2363 covers establishments primarily engaged in manufacturing girls', children's, toddlers' and infants' coats and suits from woven and knit fabric.

SIC 2369 includes establishments primarily engaged in manufacturing girls', children's, toddlers' and infants' outerwear, not elsewhere classified, from purchased woven or knit fabric. It covers items such as tops, playwear, swimwear, robes, skirts, headwear, etc.

NOTE: Separate industry figures are not available on boys' wear, on children's underwear and nightwear manufacturers or on knitting mills. These are combined in industry data on men's and boys' manufacturers and women's and children's manufacturers, which are included in other Fact Files covering specific apparel categories.

Plants manufacturing children's footwear are not separately reported on in industry statistics, but combined with information on plants making adult footwear. These plants are covered in the FOOTWEAR FACT FILE.

** Covers manufacturing establishments (plants) only, and each location is separately counted. Figures for 1986 and 1985 are from County Business Patterns, U.S. Bureau of the Census.

Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished products inventories. It avoids the duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes the best value measure of individual industries.

The value of industry shipments includes both primary and secondary products made by manufacturers in the industry, as well as receipts for contract work and miscellaneous receipts. The value of primary products made in this industry, as well as the value of these products made by secondary producers, is covered in the Product Shipments section of this Fact File.

Source: U.S. Bureau of the Census:
1986, 1985, Annual Survey of Manufactures,
1982 Census of Manufactures

GENERAL INDUSTRY STATISTICS: APPAREL

Industry Shipments

The International Trade Administration has compiled estimates for 1987 and 1988 in both current dollars and in constant (1982) dollars to eliminate the effects of inflation.

In current dollars a 4.6% increase was estimated in shipment value in 1988 compared with 1987, in real terms the gain was 1.9%. Comparable figures for coats and suits were reported at 3.0% and 0.9%.

Value of Specified Children's Wear Industry Shipments: 1986, 1987, 1988

	Millions of current $			Compound Annual % Change		Annual % Change	
	1988(e)	1987(e)	1986	1972/86	1981/86	1987/86	1988/87
Dresses & blouses (SIC 2361)	$1,370	$1,310	$1,247	4.7%	1.9%	5.1%	4.6%
Coats & suits (SIC 2362)	137	133	136	- 2.3	- 4.3	-2.2	3.0
	Millions of constant 1982$						
Dresses & blouses	$1,328	$1,303	$1,275	1.7%	2.4%	2.2%	1.9%
Coats & suits	109	108	111	- 6.2	- 8.4	-2.7	0.9

(e) estimated

Source: U.S. Dept. of Commerce, International Trade Administration: 1989 U.S. Industrial Outlook

Employment and Earnings

Employment in the children's outerwear industry registered a sharp drop in 1988, down 7.5% compared with 1987. The 1988 total of 56.4 thousand was the lowest reported in an 11 year period. In 1977, 69.2 thousand people were employed.

Employment & Earnings (continued)

Employment & Earnings Trends in the Children's Outerwear Industry: 1985-1987

	Annual Averages				% Change	
	1988	1987(r)	1986(r)	1985(r)	88/87	87/86
Children's outerwear (SIC 236)						
All employees (thous.)	56.4	59.4	61.0	60.5	-7.5%	-2.6%
Production workers (thous.)	47.5	49.7	51.5	50.8	-7.8	-3.5
Average						
Weekly earnings ($)	$202.39	$196.42	$191.95	$185.56	5.4	2.3
Hourly earnings ($)	$ 5.47	$ 5.28	$ 5.16	$ 5.07	6.0	2.3
Weekly hours	37.0	37.2	37.2	36.6	-0.5	-0-

(r) revised

Source: U.S. Bureau of the Labor Statistics: Employment & Earnings

It should be noted that employment data compiled by the BLS and the Census Bureau differ somewhat due to differences in methodology.

Industry Concentration

The concentration of children's wear manufacturing plants based on value added by manufacture and on value of shipments was covered in reports on the 1982 Census of Manufactures and included in the 1987 edition of this Fact File. These figures will be updated by the Census Bureau when findings on the 1987 census are available.

Information on concentration based on plants' employment size is compiled annually by the Census Bureau from a sample survey and reported in County Business Patterns.

Children's Outerwear Plants By Employment Size: 1986

	Children's Outerwear (SIC 236)			Children's Dress & Blouses (SIC 2361)		
	Plants		Employment	Plants		Employment
	No.	%	%	No.	%	%
Total Plants	815	100.0%	100.0%	442	100.0%	100.0%
Employment Class						
Under 10	177	21.7	0.7(e)	86	19.5	(D)
10 to 19	97	11.9	2.2	58	13.1	2.8%
20 to 49	183	22.5	9.9	114	25.8	12.5
50 to 99	180	22.1	20.3	98	22.2	22.8
100 or more	178	21.8	66.9(e)	86	19.4	(D)

(continued)

Industry Concentration (continued)

Children's Outerwear Plants By Employment Size: 1986
(continued)

	Children's Coats & Suits (SIC 2363)			Children's Outerwear, n.e.c. (SIC 2369)		
	Plants		Employment	Plants		Employment
	No.	%	%	No.	%	%
Total Plants	44	100.0%	100.0%	321	100.0%	100.0%
Employment Class						
Under 10	9	20.4	(D)	76	23.6	0.8%
10 to 19	6	13.6	2.7%	33	10.3	1.6
20 to 49	4	9.1	4.0	63	19.6	7.5
50 to 99	17	38.6	34.3	65	20.2	16.1
100 or more	8	18.1	(D)	84	26.3	74.0

(e) estimated
(D) withheld to avoid disclosing figures for individual companies
n.e.c. not elsewhere classified

Source: U.S. Bureau of the Census:
County Business Patterns, 1986

APPAREL & FOOTWEAR PRODUCTION

Data on the quantity of U.S. output of infants', boys' and girls' wear is reported in the Current Industrial Reports issued quarterly and annually by the U.S. Bureau of the Census. All known manufacturers except very small concerns are surveyed for these reports. Jobbers are also included. Figures cover U.S. production plus garments assembled abroad and shipped back to U.S. cutters under the terms of Item 807 of the Tariff Schedule by participating Caribbean Basin countries and Mexico. (Duty under this plan is paid only on the value added abroad.)

Garments manufactured entirely abroad and "sourced" by U.S. manufacturers are not included in the CIR reports. Some classifications are reported only in combination with adult apparel and cannot be included in this Fact File. The totals are, however, in appropriate Fact Files covering adult wear.

APPAREL & FOOTWEAR PRODUCTION

Children's Wear

Children's Wear Production: 1986, 1987
(Thousands of dozens)

	Thousands of Units 1987	1986	% Change 1987/86
Dresses	57,890	62,340	- 7.1%
Girls', subteen, teenage	30,671	na	--
Children's, toddlers'	27,219	na	--
Skirts	9,772	8,868	--
Girls', subteen, teenage	6,190	na	--
Girls' sizes 2T to 4T, 4 to 6X	3,581	na	--
Blouses, shirts			
Woven:	2,870	3,413	-15.9
Girls', subteen, teenage	1,736	1,568	10.7
Girls' sizes 2T to 4T, 4 to 6X	836	1,845	-38.5
Boys' sizes 2T to 4T, 4 to 7	296		
	Thousands of Dozens		
Knit:	12,395	11,972	3.5
T-shirts and tank tops	4,544	6,568	-30.8
Girls' subteen, teenage	1,585	na	--
Girls' sizes 2T to 4T, 4 to 6X	1,937	na	--
Boys' sizes 2T to 4T, 4 to 7	1,022	na	--
Sweatshirts	1,237	na	--
Girls', subteen, teenage	526	na	--
Girls' sizes 2T to 4T, 4 to 6X	419	na	--
Boys' sizes 2T to 4T, 4 to 7	292	na	--
Other knit shirts	6,614	5,404	--
Girls', subteen, teenage	1,993	na	--
Girls' sizes 2T to 4T, 4 to 6X	2,916	na	--
Boys' sizes 2T to 4T, 4 to 7	1,705	na	--
	Thousands of Units		
Coats, jackets, snowsuits	9,319	10,308	- 9.6
Heavy:			
Girls', subteen, teenage	365	na	--
Girls', sizes 2T to 4T, 4 to 6X	1,020	na	--
Boys' sizes 2T to 4T, 4 to 7	937	na	--
Lightweight:	6,997	na	--
Girls', subteen, teenage	2,024	na	--
Girls' sizes 2T to 4T, 4 to 6X	2,369	na	--
Boys' sizes 2T to 4T, 4 to 7	2,604	na	--
Sweaters	1,031	1,396#	--
Girls'	841	na	--
Boys'	190	na	--

(continued)

Children's Wear (continued)

Children's Wear Production: 1986, 1987
(continued)

	Thousands of Units		% Change
	1987	1986	1987/86
Pants, jeans, etc.	79,872	89,820	-11.1%
Pants excluding jeans & dungarees, sweat pants	38,541	60,588	-36.4
Girls', subteen, teenage	10,701	11,268	50.8
Girls' sizes 2T to 4T, 4 to 6X	16,820	na	--
Boys' sizes 2T to 4T, 4 to 7	11,020	na	--
Jeans, dungarees	30,099	26,676	12.8
Girls', subteen, teenage	15,546	10,308	50.8
Girls' sizes 2T to 4T, 4 to 6X	4,891	na	--
Boys' sizes 2T to 4T, 4 to 7	9,662	na	--
Separate sweat pants	11,232	2,556	339.4
Girls' subteen, teenage	4,116	na	--
Girls' sizes 2T to 4T, 4 to 6X	3,228	na	--
Boys' sizes 2T to 4T, 4 to 7	3,888	na	--
Overalls, coveralls	887	125	609.6
Girls' subteen, teenage	79	na	--
Girls' sizes 2T to 4T, 4 to 6X	441	na	--
Boys' sizes 2T to 4T, 4 to 7	367	na	--
Shorts	3,091	2,171	42.4
Girls' subteen, teenage	1,018	961	5.9
Girls' sizes 2T to 4T, 4 to 6X	1,123	1,210	- 7.2
Boys' sizes 2T to 4T, 4 to 7	950		-21.5
Playgarments, including playsuits, halter tops, rompers, total	1,571	4,900	-67.9
Girls', subteen, teenage	409	1,155	-64.6
Girls' sizes 2T to 4T, 4 to 6X	803	3,745	-69.0
Boys' sizes 2T to 4T, 4 to 7	359		
Jogging suits	1,176	484	143.0
Girls', subteen, teenage	417	na	--
Girls' sizes 2T to 4T, 4 to 6X	290	na	--
Boys' sizes 2T to 4T, 4 to 7	469	na	--
Swimsuits	860	721#	19.3
Girls', subteen, teenage	394	na	--
Girls' sizes 2T to 4T, 4 to 6X	363	na	--
Boys' sizes 2T to 4T, 4 to 7	103	na	--

(continued)

Children's Wear (continued)

Children's Wear Production: 1986, 1987
(continued)

	Thousands of Units 1987	1986	% Change 1987/86
Underwear and nightwear			
Underwear	12,401	10,388	19.4%
Panties including pettipants, etc.	10,825	8,493	27.5
Girls', subteen, teenage	4,498	na	--
Girls' sizes 2T to 4T, 4 to 6X	3,648	na	--
Boys' sizes 2T to 4T, 4 to 7	2,679	na	--
Slips	--	253	--
Girls' sizes 7 to 14	297	na	--
Girls' sizes 2T to 4T, 4 to 6X	(D)	na	--
Other underwear	--	1,699	--
Girls' sizes 7 to 14	237	na	--
Girls' sizes 2T to 4T, 4 to 6X	(D)	na	--
Boys' sizes 2T to 4T, 4 to 6X	(D)	na	--
Nightwear, excluding robes	4,185	4,498	- 6.9
Girls' nightgowns, sizes 7 to 16	705	1,302	-45.9
Girls' pajamas, sizes 7 to 16	1,165	1,937	- 8.1
Boys' pajamas sizes 2T to 4T, 4 to 7	1,122		
Girls' nightgowns and pajamas sizes 2T to 4T, 4 to 6X	1,193	1,259	- 5.2
Robes, girls' and children's	109	200	-45.5
Infants wear (separately reported items)			
Pajamas, nightgowns, sleep sacks, blanket sleepers	2,973	2,103	41.4
Underwear, including panties, slips, undershirts	5,420	5,898	- 8.1
Dresses	828	671	23.4
Blouses and shirts			
Woven	314	123	155.3
Knit	1,600	678	136.0
Coats, jackets, snowsuits	17	(D)	--
Pants, shorts, overall, coveralls	1,160	159	629.6
Playclothing, creepers, rompers, etc.	2,853	2,141	33.3
Boxed sets	(D)	199	--

na not available
Includes data for infants
+ Total includes items not separately reported
(D) Withheld to avoid disclosure

Source: U.S. Bureau of the Census, Current Industrial Reports: APPAREL MA23A (87)-1

Diapers

Production of Infants' Diapers: 1986, 1987

	Thousands of Dozens 1987	1986(r)	% Change 1987/86
Diapers, total*	4,506	5,958	-24.4%
Birdseys	2,741	3,474	-21.1
All other	1,765	2,484	-28.9

(r) revised
* Excludes knit diapers, diapers and diaper liners made from paper and/or nonwoven fabrics.

Source: National Cotton Council of America:
Cotton Counts Its Customers (1988 Edition)

In 1988, Procter & Gamble Co. introduced its new gender-specific diapers, Luvs Deluxe, into retail outlets. This was aimed at reversing its declining share of the disposable diaper market, estimated at a total of over $3 billion. According to Advertising Age magazine, P&G had a 53% share (split between Pampers' 32% share and Luvs' 21% in 1988), down from 58% a year earlier. Kimberly Clark Corp's, Huggies, were reported to have risen 2 percentage points to a 34% share.

Meanwhile, the suppliers of non-disposable diapers, including the diaper services, are fighting to regain market share with a campaign to educate consumers on the environmental problems associated with disposable diapers. Co-sponsoring the campaign are the children's wear subsidiary of Gerber Products Co. and Pro-diaper, a cotton diaper importer. Both P&G and Kimberly-Clark are actively researching new plastics and other materials that are fully biodegradable and perform better than plastics currently in use.

Boys' Wear

Specific types of boys' wear above size 7 are reported as shown below by the Census Bureau. Items not shown are generally combined in men's wear data.

Production of Specified Types of Boys' Wear: 1986, 1987
(Thousands of units)

	1987	1986	% Change 1987/86
Suits, incl. casual & uniform	2,474*	1,996	nc
Overcoats, topcoats, tailored suburban & car coats, incl. uniform,	42	(D)	--
Tailored suit-type dress & sport coats, incl. uniform	1,301	1,142	13.9

(continued)

Boys' Wear (continued)

Production of Specified Types of Boys' Wear: 1986, 1987
(Thousands of units)
(continued)

	1987	1986	% Change 1987/86
Separate dress and sport trousers, incl. uniform	13,532	13,365	1.2%
Jeans & dungarees	58,615	59,426	- 1.4
Jean-cut casual slacks	12,699	15,435	- 17.7
Shorts, including athletic shorts	11,221	20,635	- 45.6
Athletic shorts	4,621	14,369	- 67.8
Nontailored heavy outer jackets except ski	2,337	2,237	4.5
Nontailored light outer jackets	2,261	2,859	- 20.9
Woven shirts, including dress & uniform	1,539	1,650	- 6.7
T-Shirts and Tank Tops made for outerwear, including long sleeve T-Shirts	5,021	4,993	0.6
Other knit sport shirts, except sweat shirts**	2,940	na	--
Sweaters, including sweater vests, knit cardigans & pullovers	370	534	- 30.7
Pajamas and other nightwear, excluding robes	1,402	1,327	5.7
Lightweight undershirts with 1/4 sleeve, excluding T-shirts made for outerwear	3,029	na	--
Knit briefs & shorts	9,936	9,999	- 0.6

na not available
nc not comparable
(D) withheld to avoid disclosure
* Includes little boys' sizes 4 to 7 in 1987
**Sweat shirts for boys are combined with men's sweat shirts
Note: Apparel for little boys is reported in the table on Children's Wear.

Source: U.S. Bureau of the Census,
Current Industrial Reports: Apparel MA23 A(87)

Hosiery

Production of infants' and children's hosiery increased 17.7% in 1988 from 1986. Mid-calf/crew category rose 61.7% during this time. This type of hosiery is where the top extends beyond ankle length but not beyond the largest part of the calf. It includes all types of hosiery, such as half-hose, dress socks and athletic socks. An 86.4% decrease was reported in the stockings category.

Hosiery (continued)

Production of Infants' & Children's Hosiery: 1986-1988

	Thous. dozen pairs			% Change	% Change
	1988	1987	1986	1988/87	1988/86
Hosiery, (infants' & children's) total*	33,388	29,631	28,366	12.7%	17.7%
Footsocks	561	522	555	7.5	1.1
Anklets	17,003	16,929	16,640	0.4	2.2
Mid-calf/crew	10,853	7,855	6,711	38.2	61.7
Knee-highs	3,950	3,331	3,507	18.6	12.6
Stockings	3	11	22	-72.7	-86.4
Waist-highs	1,018	983	931	3.5	9.3

* Includes sizes 3 to 8 1/2
Note: Girls' hosiery is included in women's hosiery figures. For details on the hosiery industry see the Fairchild HOSIERY/LEGWEAR FACT FILE.

Source: National Association of Hosiery Manufacturers: 1988 Hosiery Statistics (Annual Reports)

Estimated Production of Boys' Hosiery, 1984, 1988

	Thous. dozen pairs		% Change
	1988	1984	1988/84
Boys' hosiery, total*	10,558	15,073	- 30.0%
Footsocks	23	259	- 91.6
Anklets	596	2,145	- 72.2
Mid-calf/crew	3,967	3,342	18.7
Knee-highs	5,972	9,482	- 37.0

* Includes sizes 8 to 11

Source: Estimates based on National Association of Hosiery Manufacturers' special hosiery surveys.

Footwear

Production of juvenile nonrubber footwear in U.S. factories in 1988 totaled 27,232 thousand pairs, according to preliminary figures issued by the Census Bureau. Not included is footwear with rubber or plastic soles and fabric uppers, which constitutes a major share of the juvenile shoe market. Reported 1988 estimates were 4.4% over juvenile nonrubber footwear production in 1987, reported at 26,071 thousand pairs.

Footwear Industries of America (Washington, DC) has compiled preliminary estimates on production by shoe type in the nonrubber classification for 1988, based on Census Bureau reports. The biggest gain was noted in shoes for youths and boys.

Footwear (continued)

Estimated Production of Juvenile Nonrubber Footwear
By Type in 1988 Compared With 1987
(Millions of pairs)

	1988	1987	% Change 1988/87
Juvenile footwear	27.2	26.1	4.4%
Youth's & boys'	2.7	2.4	12.5
Misses'	3.4	3.5	- 2.8
Children's	5.7	6.2	- 8.1
Infants' & babies'	15.4	14.0	10.4

Source: FIA based on Census Bureau data

Note: General industry statistics and other details on footwear are covered in the Fairchild FOOTWEAR FACT FILE.

APPAREL & FOOTWEAR SHIPMENTS

The value of shipments covered in this section represents the total value of specified products produced by all industries, regardless of the plants' SIC classification. It includes both primary and secondary producers. (This is in contrast with "industry shipments" previously covered, which include all products and miscellaneous receipts of only those plants classified within the specified SIC.)

The annual survey of manufactures conducted by the Census Bureau among a sample of manufacturers provides a summary of value of shipments of broad classifications.

Shipments of reported children's/girls' wear rose 1% in value in the latest year reported, 1986, compared with 1985 and were 4.4% below the comparable 1982 total. Reported boys' wear in this source registered a 3.8% loss in 1986 compared with 1985, and shipments were down 33% compared with their value in 1982.

Value of Shipments of Specified Children's, Girls' & Boys' Wear:
1982, 1985, 1986
(Millions of dollars)

	1986	1985	1982	% Change 86/85	% Change 86/82
Girls', children's, infants', reported total	2,723.6	2,695.5	2,850.3	1.0%	- 4.4%
Dresses & blouses	774.1	695.1	755.4	11.4	2.5
Knit sport shirts*	308.1	392.4	401.7	-21.5	-23.3
Commission work on children's dresses & blouses	117.2	131.3	208.7	-10.7	-43.8
Dresses & blouses, n.s.k.	47.6	48.1	77.4	- 1.0	-38 5
Coats, jackets, suits, snowsuits, coat-and-legging sets	127.9	139.1	178.9	- 8.0	- 0.8

(continued)

Value of Shipments of Specified Children's, Girls' & Boys' Wear: 1982, 1985, 1986
(Millions of dollars)
(continued)

	1986	1985	1982	% Change 86/85	% Change 86/82
Commission work on coats, jackets, etc.	26.0	27.4	32.4	- 5.1%	-19.6%
Outerwear, n.e.c.	1,232.5	1,171.7	1,072.6	5.2	14.9
Commission work on outerwear	90.3	90.4	123.2	0.1	-26.7
Boys' suits, coats, tailored jackets	99.2	103.1	148.2	- 3.8	-30.4

* Knit shirts made in knitting mills are not included; nor are any garments made within knitting mills included in totals in the above table.
n.e.c. not elsewhere classified
n.s.k. not specified by kind

Source: U.S. Bureau of the Census:
1986 Annual Survey of Manufactures,
1982 Census of Manufactures

The Current Industrial Reports Series is based on reports from manufacturers, government contractors and jobbers in the U.S., except very small firms (usually less than 5 employees). Included in the figures reported are garments cut in the U.S., sent outside the country to be sewn, then imported into the U.S. under the provisions of Item 807 of the Tariff Schedule. Not included are apparel items manufactured entirely abroad and "sourced" by U.S. manufacturers.

The CIR reports are more detailed than the reports from the annual surveys of manufacturers, with data on most major items of apparel and including apparel made in knitting mills. Accessory items, leather apparel and hosiery are not included, however. Note that 1987 and 1986 figures are in some cases not comparable due to changes in reporting.

Children's/Girls' Apparel

Value of Shipments of Specified Types of Children's Wear: 1986, 1987
(Millions of dollars)

	1987	1986(r)	% Change 1987/86
Girls', children's, toddlers' & infants' wear, total reported	$3,058.9	$2,799.3	nc
Girls', children's & toddlers' wear	2,629.4	2,555.8	nc
Dresses	464.5	475.7	- 2.4

(continued)

Children's/Girls' Apparel (continued)

Value of Shipments of Specified Types of Children's Wear: 1986, 1987
(Millions of dollars)
(continued)

	Value (million $) 1987	Value (million $) 1986(r)	% Change 1987/86
Girls', children's, toddlers' wear, (continued)			
Coats, jackets, snowsuits	$ 98.9	$ 96.3	2.7%
Heavyweight	32.9	na	--
Lightweight	66.0	na	--
Blouses, shirts,	688.2	672.3	2.4
Woven blouses & shirts	154.9	177.7	- 12.8
Girls', subteen, teenage	na	88.1	--
Children's, & toddlers'*	na	89.6	--
Knit blouses & shirts, incl. sweatshirts	533.3	494.6	7.8
T-shirts & tank tops*	195.8	259.0	- 24.4
Sweatshirts*	45.7	235.6	43.2
All other*	291.8		
Sweaters*	74.6	85.9#	nc
Skirts, pants, jeans, overalls	615.4	494.2	24.5
Skirts	68.8	53.3	29.1
Pants, jeans, etc. total	508.6	440.9	15.3
Pants, including jean-cut casual slacks	185.2	245.4	- 24.5
Girls', subteen, teenage	na	68.3	--
Children's & toddlers'***	na	177.1	--
Jeans & dungarees	212.6	167.6	26.8
Girls', subteen, teenage	na	71.3	--
Children's & toddlers'*	na	96.3	--
Overalls, coveralls*	72.8	16.1	352.2
Separate sweat pants*	38.0	11.8	222.0
Shorts	121.2	96.7	24.5
Girls', subteen, teenage	na	42.0	--
Children's & toddlers'*	na	54.7	--
Activewear*	148.2	90.2	--
Swimsuits	50.9	43.5	nc
Jogging suits	97.3	46.7	nc
Playgarments			
Playsuits, halter tops, rompers, etc.	81.3	223.2	- 63.0
Girls', subteen, teenage	na	52.2	--
Children's & toddlers'	na	171.0	--

(continued)

Children's/Girls' Apparel (continued)

Value of Shipments of Specified Types of Children's Wear-1986, 1987
(Millions of dollars)
(continued)

	Value (million $) 1987	Value (million $) 1986(r)	% Change 1987/86
Girls', children's, toddlers' wear, (continued)			
Underwear, nightwear, robes	$ 337.1	$ 321.3	4.0%
Underwear	117.2	96.3	nc
Girls' sizes 7 to 14			
Panties, pettipants	34.7	66.3*	nc
Slips	9.9	11.1**	nc
Other underwear	3.6	nc	--
Boys' sizes 2T to 4T, 4 to 7 underpants	26.0	*	--
Type not reported	9.9	--	--
Nightwear, excluding robes	206.4	206.8	- 0.2
Girls' sizes 7 to 16			
Nightgowns	43.1	65.0	- 21.9
Pajamas	44.1	nc	--
Girls' sizes 2T to 4T, 4 to 7	64.0	57.2	11.9
Boys' sizes 2T to 4T, 4 to 7	55.2	nc	--
Robes	13.5	18.9	- 28.6
Infants, wear, total reported	429.5	243.5	nc
Dresses	59.3	56.2	5.5
Blouses, shirts:			
Woven	20.8	15.1	37.7
Knit	87.7	32.0	174.1
Coats, jackets, snowsuits	2.5	(D)	--
Pants, shorts, overalls, coveralls	69.6	5.5	1165.4
Playclothing, creepers, rompers, etc.	189.6	120.6	57.2
Boxed sets	(D)	14.1	--

nc not comparable
na not available
(r) revised
(D) withheld to avoid disclosure
* Includes girls' sizes 2T to 4T and 4 to 6S, as well as boys' sizes 2T to 4T and 4 to 7, as well as any other size designation specifically mentioned.
**Includes girls' sizes 7 to 14, 2T to 4T, 4 to 6X

Source: U.S. Bureau of the Census,
Current Industrial Reports: Apparel MA-23A(87)-1

APPAREL & FOOTWEAR SHIPMENTS

Boys' Wear

Shipments of Specified Types of Boys' Wear: 1986, 1987
(Value in millions of dollars)

	1987	1986	% Change 1987/86
Boys' wear, total of specified categories*	$1,451.4	$1,410.1	2.9%
Suits, including casual & uniform	56.6	55.3	2.4
Overcoats, topcoats, & tailored suburban & car coats, including uniform	0.7	(D)	--
Tailored suit-type dress & sport coats, including uniform	28.2	26.7	5.6
Nontailored heavy outer jackets, except ski	47.2	39.8	18.6
Nontailored light outer jackets	24.1	34.2	- 29.5
Shirts, woven including dress & uniform	119.8	120.3	- 0.4
Sport shirts, knit except sweat shirts	140.5	na	
Sweaters including sweater vests, knit cardigans & pullovers	31.5	35.5	- 11.3
Shorts, trousers, jeans & jean-cut casual slacks	779.3	914.3	- 14.8
Separate dress & sport trousers, including uniform	99.2	101.3	- 2.1
Jeans & dungarees	540.7	614.2	- 1.2
Jean-cut casual slacks	97.8	133.7	- 26.9
Shorts, including athletic shorts	41.6	65.1	- 36.1
Underwear, nightwear	223.5	184.0	21.5
Pajamas & other nightwear, excluding robes	84.7	78.0	8.6
Lightweight undershirts with 1/4 sleeve, excluding T-shirts made for outerwear	36.7	na	--
Briefs and shorts, knit (other types of underwear/nightwear are included with men's)	102.1	106.0	- 3.7

(D) withheld to avoid disclosure
na not available
* The total includes only boys' wear included in the Current Industrial Report series on apparel, listed as the source, except little boys' sizes 2T to 4T and 4 to 7, which are reported in children's wear. Not included are hosiery shipments, accessories, gloves, leather apparel, hats, etc.

NOTE: The CURRENT INDUSTRIAL REPORT covers manufacturers, government contractors, and jobbers of apparel, except very small firms (generally less than five employees). Apparel made in knitting mills is included. Also included in the CIR are garments cut in the U.S., sent outside the country to be sewn, then imported into the U.S. under the provisions of Item 807 of the Tariff Schedule. Not included are apparel items wholly made abroad and "sourced" by U.S. manufacturers.

Source: U.S. Bureau of the Census, Current Industrial Reports: Apparel MA23A(87)-1

APPAREL & FOOTWEAR SHIPMENTS

Footwear

Monthly Census Bureau reports on juvenile footwear production in 1988 (preliminary papers) indicate an overall decline in shipments in 1988, but footwear for youths and boys and for infants will register gains compared with 1987.

The quantity and value of nonrubber juvenile footwear shipments by U.S. manufacturers, not including athletic footwear (or rubber/plastic footwear such as sneakers), was reported as follows for 1987 compared with 1986:

Quantity and Value of Nonrubber Juvenile Footwear, Except Athletic Shipments: 1986, 1987

(Quality in thousands of pairs; value in thousands of dollars)

	Quantity		% Change	Value		% Change
	1987	1986	1987/86	1987	1986	1987/86
Total	25,568	31,643	-19.2%	$211,989	$215,613	- 1.7%
Youths', boys'	2,387	2,893	-17.5	27,011	32,707	-17.4
Misses'	3,293	3,530	- 6.7	37,045	40,129	- 7.7
Children's	6,113	5,334	14.6	65,870	56,196	17.2
Infants', babies	13,775	19,886	-30.7	82,063	86,631	- 5.3

Source: U.S. Bureau of the Census, Current Industrial Reports: Footwear, 1987 Series MA31A

All classifications of juvenile footwear registered a decline in value of shipments in 1987 with the exception of children's sizes. The gain of 17.2% held the overall decline in the total on juvenile footwear to 1.7% compared with 1986.

The sharpest drop in value of shipments by U.S. manufacturers in the juvenile category was in youth's, boys' sizes, which were down 17.4% in value compared with 1986. As noted, however, production was up in 1988 according to preliminary information.

Estimates on overall new supply of juvenile footwear--including U.S. production, less exports, plus imports--and the share accounted for by imports have been compiled by Footwear Industries of America, as noted below:

Import Penetration: Juvenile Footwear New Supply

	1988	1987	1986	1985
Juvenile footwear supply (mil. pairs)	132.4	135.4	142.4	138.1
Import penetration (%)	79.4%	80.0%	77.2%	72.5%

Source: Footwear Industries of America

APPAREL & FOOTWEAR SHIPMENTS

Concentration of Product Shipments

The latest figures on the share of shipments of specific products accounted for by the largest manufacturers are for the year 1982, compiled in the complete census of manufactures conducted every five years. These cannot be updated until the Census Bureau releases findings based on the 1987 census, but the trend will undoubtedly show a growing concentration of children's wear and footwear among larger companies, and fewer companies in the industry.

Share of Specified Children's Wear Shipments
By The Largest U.S. Manufacturers: 1982

	Product Shipments (Mil. $)	% of Value Accounted for by Largest Companies			
		Top 4	Top 8	Top 20	Top 50
Girls', children's & infants' dresses & shirts	$755.4	15%	25%	46%	74%
Girls', children's & infants' knit shirts	401.7	49	62	86	99+
Girls', children's & infants' coats, jackets, suits, snowsuits and coat & legging sets	171.5	41	63	92	100
Footwear					
Youths', boys'	89.2	42	66	95	100
Infants', babies'	121.1	41	60	85	100
Misses', except athletic	77.3	42	64	93	100
Children's, except athletic	137.3	40	62	84	100

Source: U.S. Bureau of the Census,
1982 Census of Manufactures:
Concentration Ratios in Manufacturing

APPAREL & FOOTWEAR PRODUCER (Factory) PRICE TRENDS

Escalating prices of imports, as well as increased costs for domestic producers, are factors in price increases noted at the U.S. factory level.

Of the items tracked in BLS producer price indexes, only knit sport and sweatshirts for girls, children and infants registered a significant decline (-20.2%) in prices for the year 1988. This brought the overall index reported for the entire children's category down 1.6% because of the large weight given to these products in overall shipments, but most components, as noted below, registered a gain in price levels.

The producer price level for children's footwear was up 6.1% in 1988; babies'/infants' footwear, up 9.9%.

U.S. Producer (Factory) Price Indexes for Specified Children's Apparel & Footwear

	Base period = 100	Dec. 1988	1987 Dec.	1987 Annual Average	Unadjusted % Chg. Dec.'88/ Dec. 87	Unadjusted % Chg. Dec.'88/ Nov. 88
Industrial commodities, total	1982*	108.1	104.2	102.6	3.7%	0.7%
All apparel	1982*	113.2	109.9	108.4	3.0	0.4
Reported children's items:**						
Boys' dress & sports trousers	1982*	na	92.8	na	--	--
Girls', children's, infants'	1982*	108.3	110.1	106.7	- 1.6	0.6
Dresses/blouses/shirts, excl. knit sport & sweatshirts	12/84	109.0	107.3	105.7	1.6	na
Knit sport & sweatshirts	12/84	101.7	112.9	127.4	-20.2	na
Other outerwear, n.e.c.	12/84	97.6	97.6	97.4	-0-	-0-
Hosiery:						
Anklets	6/84	106.8	102.1	102.1	4.6	0.8
Knee-highs	1982*	104.1	101.2	101.2	2.9	-0-
Other hosiery	6/84	102.8	101.6	100.0	1.2	-0-
Underwear	6/82	130.7	122.3	117.3	6.9	-0.6
Nightwear	6/82	119.2	111.8	106.4	6.6	4.7
Footwear:						
Children's (size 8>-12)	1982*	117.1	110.4	109.2	6.1	-0-
Leather upper	1982*	121.4	112.8	111.7	7.6	-0-
Misses' (sizes 12>-2>)	1982*	114.2	107.2	105.8	6.5	-0-
Youth's, boys' (size 12>-6)	1982*	115.2	109.9	109.6	4.8	-0-
Infants', babies (size 1-8)	1982*	119.2	108.5	107.5	9.9	-0-
Leather upper	1982*	122.3	111.3	110.3	9.9	-0-

* 1982 monthly average = 100.
**Other items are combined by the BLS with women's wear or men's wear.
na not available

Source: U.S. Bureau of Labor Statistics: Producer Price Indexes (covering commodity groupings and individual items)

FOREIGN TRADE: APPAREL

Manufacturers in the U.S. of all types of apparel have faced increasingly intense competition from imports, particularly from low-wage countries in the Far East. Since apparel manufacturing is a labor intensive industry, U.S. manufacturers with resources to take advantage of new developments have adopted manufacturing processes to enhance productivity. Many plants now have automation systems and computer-assisted systems involved in production from design, patternmaking, cutting, assembling through to shipping.

U.S. apparel manufacturers have also expanded their sourcing options to incorporate a variety of domestic and foreign locations that offer the best cost advantages. Sourcing under the "807" tariff provisions has been growing. This allows assembly of apparel parts cut in the U.S. and exported to a Caribbean Basin country, as well as Mexico, to be reimported, with duties charged only on the value added abroad.

As part of the Caribbean Basin Initiative, increased U.S. quota allotments called Guaranteed Access Levels are available to eligible countries manufacturing apparel from fabric both made and cut in the U.S. This is called the "807 A" program.

A weaker dollar and a softening of the U.S. apparel market resulted in a decline in overall apparel imports in 1988. While imports became more expensive with the devaluation of the dollar, U.S. exporters benefitted as apparel generally became more competitive in price overseas.

Most items of children's/boys' wear are not separately reported but the Department of Commerce has reported the following trends in specified apparel.

Trends in Value of Exports of Specified Children's Wear
(Value in millions of dollars)

				% Change		
				Compound Annual		Annual
	1985	1986	1987	1972/86	1981/86	1986/87
Value of Exports						
Children's dresses, blouses	$ 9.7	$11.7	$ 9.2	14.3%	-10.7%	-21.4%
Children's coats, suits	2.8	0.7	2.2	4.1	-19.7	214.3
Export/shipments ratio						
Children's dresses, blouses	0.013	0.014	--	9.4	-14.1	--
Children's coats/suits	0.020	0.005	0.018	6.8	-14.6	260.0

Source: U.S. Department of Commerce,
International Trade Administration:
1989 U.S. Industrial Outlook

Imports

The quantity and value of items of juvenile apparel separately reported in Department of Commerce 1988 imports summaries are covered in the following table. Imports of apparel generally declined from 1987 levels, but changes in reporting methods make it difficult to make comparisons for individual types of children's apparel.

Imports (continued)

Imports of Specified Infants', Boys' and Girls' Wear Products: 1988

	Quantity (Dozens)	C.I.F. Value (Thousand $)*
Infants' (boys') wear		
Tops:		
Tank tops (cotton, knit)	16,825	$ 320.4
Blouses (knit)		
Cotton	5,571	136.6
Wool	298	47.2
T-shirts (cotton knit)	5,005	117.3
Sweatshirts (cotton knit)	3,139	
Sweaters (knit)		
Cotton	3,506	356.5
Wool	5,192	292.7
Bottoms:		
Pants		
Manmade fiber	159,996	7,065.2
Denim (cotton)	60,979	3,033.4
Knit	65,192	1,588.3
Corduroy (cotton)	8,877	421.2
Shorts	112,778	1,969.9
Outer jackets (knit)	26,542	910.7
Coats		
Manmade fiber	97,818	7,845.6
Raincoats	350	25.5
Infants' Wear**		
Tops (cotton knits)		
Tank tops	22,283	585.2
T-shirts	9,223	296.1
Sweatshirts	4,022	224.3
Sweaters	2,378	198.6
Bottoms:		
Pants		
Manmade fiber	174,522	6,015.1
Denim (cotton)	33,331	1,687.8
Corduroy (cotton)	8,667	500.7
Knit	4,241	143.3
Shorts	79,099	1,586.0
Outerjackets (knit)	686	39.8
Dresses (cotton knit)	37,838	1,389.4
Skirts (cotton)	25,692	1,211.3

(continued)

Imports (continued)

Imports of Specified Infants' and Children's Wear Products: 1986
(continued)

	Quantity (Dozens)	C.I.F. Value (Thousands $)*
Coats:		
Cotton	17,558	1,407.7
Manmade fiber	151,226	9,426.5
Boys' Wear		
Tops:		
Dress shirts (woven)	219,662	10,388.1
Sport shirts		
Cotton	880,894	40,168.3
Corduroy	98	7.3
Sweaters (knit)		
Cotton	24,373	2,798.2
Wool	10,297	1,683.5
Manmade fiber	416,525	25,172.7
Bottoms:		
Trousers & slacks (not knit)		
Cotton	499,753	33,593.3
Manmade fiber	875,363	47,667.1
Denim	576,503	32,035.3
Corduroy	41,262	2,073.8
Trousers & slacks (knit)		
Manmade fiber	62,919	2,423.2
Coveralls, overalls and jumpsuits (not knit)		
Cotton	7,713	384.9
Manmade fiber	2,395	404.7
Suit-type coats & jackets (not knit)		
Wool	1,264	342.4
Manmade fiber	13,364	1,568.4
Girls' Wear		
Tops:		
Tank tops (knit)		
Cotton	28,490	672.0
Manmade fiber	9,035	305.8
Blouses (knit)		
Cotton	13,992	719.4
Sweaters (knit)		
Cotton	27,831	2,574.8

(continued)

Imports (continued)

Imports of Specified Infants' and Children's Wear Products: 1986
(continued)

	Quantity (Dozens)	C.I.F. Value (Thousand $)*
Pants:		
Denim	96,384	5,815.9
Corduroy	6,575	410.1
Manmade fiber	90,832	4,802.1
Coveralls, overalls & jumpsuits		
Cotton	54,735	2,665.7
Manmade fiber	9,976	427.4
Dresses:		
Knit, cotton	15,764	901.1
Manmade fiber	58,537	2,512.4

* The C.I.F. value represents the value of imports at the first port of entry in the U.S. It is based on the purchase price and includes all freight, insurance and other charges (excluding U.S. import duties) incurred in bringing the merchandise from the country of exportation and generally placing it alongside the carrier at the first port of entry in the U.S.

**Includes items for both girl and boy infants.

Source: U.S. Bureau of the Census:
U.S. General Imports (IM 146, Dec. 1988)

According to Kurt Salmon Associates, an independent management consulting firm, based on findings in the NPD tracking survey on purchases by a nationwide panel of 11,500 households, in 1988 imports represented 28% of the dollars spent on girls' wear. The percent of specific item purchases represented by imports in 1987 and 1986 was reported by KSA as noted below.

FOREIGN TRADE: APPAREL

Imports (continued)

Purchases of Imported Boys' and Girls' Wear Products: 1986, 1987
(Percent of total unit purchases that were imports)

	1987	1986
Boys' wear (ages 3-16), total	24%	20%
Casual shirts	31	31
Active sportswear	23	25
Slacks	31	27
Denim jeans	20	19
Underwear	4	4
Girls' wear (ages 3-13), total	21	21
Blouses, shirts	33	33
Tee/Tank/Polo	34	34
Active sportswear	25	23
Slacks	24	22
Denim jeans	37	34
Panties	13	13
Sleepwear	10	9

Source: Kurt Salmon Associates:
Soft Goods Outlook for 1987

CONSUMER EXPENDITURES FOR APPAREL & FOOTWEAR

Official statistics on total retail sales of apparel and footwear for children are not available, and trade sources cover a wide range--from $17 billion to over $22 billion. Estimates based on the reports by the Bureau of Economic Analysis (Department of Commerce) covering personal consumption expenditures--the total value at retail of merchandise reaching the consumer through any channel, not just retail outlets--indicate a much higher total of over $30 billion. A large quantity of children's apparel and footwear reaches their wearers through other than retail stores--including institutions, street vendors, etc.

The Bureau of Labor Statistics, U.S. Department of Labor, compiles annual surveys among a representative sample of U.S. households to develop information on patterns in spending. Results are used in weighting products in compiling the Consumer Price Index.

CONSUMER EXPENDITURES FOR APPAREL & FOOTWEAR

The 1984-1986 survey results showed the distribution of consumer spending averaging as follows:

	% of Apparel Spending
Total, juvenile apparel	100.0%
Boys age 2-15	34.1
Girls age 2-15	45.2
Infants	20.7

Source: U.S. Department of Labor,
Bureau of Labor Statistics

The BLS survey provides information on the allocation of household spending for boys and girls by product. The latest study, covering 1986, showed about 16% of U.S. households had purchased apparel (not including gifts) for boys age 2 to 15; 16% had purchased apparel for girls age 2 to 15, and almost 17% had purchased apparel for children under 2. Gift purchases were not separately reported for boys and girls, but were reported for infants (less than 2 years old). About 16.7% of households had purchased apparel as gifts for infants in 1986.

The pattern in spending based on the BLS surveys is noted in the following table.

Distribution of Consumer Spending By Type of Juvenile Apparel: 1986

Apparel for boys age 2-15 years:	
Total	100.0%
Coats, jackets	9.2
Sweaters	6.2
Suits, sport coats, vests	5.3
Slacks	30.2
Shorts, short sets	8.8
Sportswear and uniforms	7.3
Other clothing	1.9
Shirts	19.1
Underwear	4.6
Nightwear, loungewear	2.4
Hosiery	3.2
Accessories	1.8

(continued)

Distribution of Consumer Spending By Type of Juvenile Apparel: 1986
(continued)

Apparel for girls age 2-15 years:	
Total	100.0%
Coats, jackets	8.4
Blouses, shirts, sweaters, sport coats, vests	25.6
Dresses, suits	13.4
Skirts, culottes, slacks	21.9
Shorts, short sets	7.6
Sportswear	6.1
Underwear, nightwear, loungewear	7.5
Hosiery	3.7
Accessories	2.0
Uniforms	0.8
Other clothing	3.0
Apparel for children under 2 years:	
Total	100.0%
Coats, jackets, snowsuits	5.0
Underwear, diapers	45.7
Dresses, crawlers, other outerwear	30.8
Sleeping garments	6.9
Accessories	6.4
Other clothing	4.4
Hosiery, footwear, etc.	0.8

Source: Division of Consumer Expenditure Surveys,
Bureau of Labor Statistics:
Interview Survey 1986

As noted in the section on DEMOGRAPHIC TRENDS, there has been a great increase in single parent households reflecting the rise in separations and divorces, and an increase in families headed by unmarried mothers. Some 15 million of 63 million children live in single-parent households, and the Census Bureau has estimated that more than 50% of all children will spend at least some time in single-parent households--89% with their mothers and about 11% with their fathers.

Because of this development, the BLS has compiled a special analysis comparing the expenditure patterns of single-parent and married-parent households, based on the Consumer Expenditure Survey for years 1984 through 1986. Results are projected to 31.7 million married parent households averaging 1.9 children under 18 per household, and 7.4 million single parents, averaging 1.7 children per household.

CONSUMER EXPENDITURES FOR APPAREL & FOOTWEAR

Expenditures On Apparel For Children in Single-Parent and Married Parent Households; Annual Average, 1984-1988

	Per Household Expenditures		Per Capital Expenditures	
	Single Parent	Married Parent	Single Parent	Married Parent
Apparel including footwear for:				
Boys ages 2 to 15	$ 120	$ 140	$ 43	$ 33
Girls ages 2 to 15	153	187	53	45
Children under 2	39	96	210	286

Source: U.S. Bureau of Labor Statistics:
Spending Patterns and Income of Single and Married Parents
(MONTHLY LABOR REVIEW, March 1989)

Single parents spend more per capita than married parents on apparel for boys and girls age 2 or older and less on apparel for children under age 2. Per household expenditures for infants' apparel are also less for single parents because they have a lower proportion of children in the younger age group. The BLS also points out that the difference may be due to the fact that gifts, which are more likely to be purchased by married couples, are included in these expenditures.

In addition to the above government sources, trade estimates from a number of sources, including consumer purchase tracking studies by independent research organizations and surveys by research companies available for publication, have been drawn on to provide further information on purchasing patterns in relation to juvenile apparel and other products. These are covered in the CONSUMER PURCHASING PATTERNS section.

APPAREL/FOOTWEAR RETAIL PRICE TRENDS

In an advance release on the February 1989 Consumer Price Index, the Bureau of Labor Statistics reported the index on infants' and toddlers' wear stood at 118.8 (or 18.8% above the base period 1982-1984 which equals 100). This was 6.6% above the level a year earlier and 2.8% higher than in January 1989. (Other classifications of children's apparel were not covered in the advance release.)

The devaluation of the dollar which has caused prices of imports to rise plus higher prices for materials are major factors in continuing price increases in apparel. In 1988 girls' wear prices rose 6.4%; boys' wear, 4.1%; infants' and toddlers, 2.4% compared with December 1987. As noted in the section on producer price indexes, sharp increases were reported at the U.S. factory level in 1988.

APPAREL/FOOTWEAR RETAIL PRICE TRENDS

Consumer Price Indexes For Children's Wear & Footwear
(1982-84 = 100)

	Dec.	Annual Average			% Change Dec.	% Change Year
	1988	1988	1987	1986	88/87	88/87
Apparel						
Infants' & toddlers' wear	117.3	116.4	112.1	111.8	2.4%	3.8%
Girls' wear	117.3	112.6	107.6	102.0	6.4	4.6
Boys' wear	112.5	107.0	103.9	105.2	4.9	3.0
Footwear, boys' & girls'	114.7	111.1	105.6	102.0	4.3	5.2

Source: U.S. Department of Labor, Bureau of Labor Statistics

RETAIL TRADE

Children's Wear Stores

The largest government data on retail stores selling juvenile wear and their sales share by outlet type was covered in the 1982 Census of Retail Trade reports. These findings were summarized in the 1987 edition of this FACT FILE. Reports on the 1987 Census of Retail Trade, in detail, will not be released by the Census Bureau until late in 1990.

In 1982, 5,325 children's and infants' wear stores were in operation, with sales that year totaling $1.4 billion. These stores were owned by 4,145 firms, so most stores were single-unit businesses. Their payrolls covered 28,388 employees.

Some information on children's and infants' wear specialty stores (number and employment) is compiled annually by the Census Bureau and published in County Business Patterns. According to this source 5,243 children's and infants' wear stores were in operation in 1986, with total employment numbering 30,064. Half the stores had 10 or more employees.

Information on sales and consumer purchasing patterns by store type compiled through other than government sources is covered in the CONSUMER PURCHASE PATTERNS: APPAREL section of this Fact File.

Competition for children's apparel business has grown intense in recent years as overall growth in sales has slowed. Specialty stores have increased as operators strive to carve out a niche in the market left open by the mass merchandisers and department stores.

Children's Wear Stores (continued)

Specialty operations registered growth in recent years but are having some problems in hanging on to market share. One of the most successful has been the Kids 'R' Us chain, which is owned by Toys' 'R' Us. Over 90 stores are in operation, up from 86 last year, and the company has indicated plans to open 25 to 30 stores in 1989.

Total sales in 1988 were estimated at about $400 million, up from $250 million in 1987, $125 million in 1986, and $60 million in 1985. The chain emphasizes off-price brand names children's wear.

The GapKids Division of The Gap, Inc. was opened in 1986, and the line is sold both in separate stores and within some of the larger Gap stores. Thirty-nine stores were in operation in 1988, and plans were reported for the addition of at least 25 new stores a year. Other retailers, who have been successful in adult wear retailing have now launched specialized children's wear operations include Benetton, Merry-Go-Round and the Limited.

The 162-unit chain, The Children's Place, was sold in 1988 by Federated Department Stores Div. (Campeau), to TCP Acquisition Corp., which then sold it to Morris Dabah (Gitano Corp.). Under pressure from discounters and new specialty stores, sales of The Children's Place--the largest nationwide mall-based children's wear specialty chain, operating in 27 states--dropped from $161.0 million for the year ending 1987 to $158.7 million in the year ending Jan. 30, 1988. Girls' sizes 7 to 14 were reported to have accounted for $29.2 million in sales in 1987.

Sears, Roebuck and McDonald's joined in 1987 to launch the McKids line of children's wear. Seven free-standing McKids stores have been opened, six in the Chicago area and one in Orlando.

Another development has been the growing number of manufacturers, or vendors, who have opened their own retail outlets, either a store-within-a-store approach (such as Merona) or be opening free-standing specialty stores--such as Esprit Kids stores opened by Esprit. Other manufacturers who are into retailing of children's wear include Polo/Ralph Lauren, Laura Ashley, Ocean Pacific, E.J. Gitano, Baby Guess.

Discount Stores

According to DM (Discount Merchandiser) July 1988, sales of infants' wear in discount stores amounted to $2.1 billion in 1987; sales of girls' wear reached $1.7 billion, or 6% over the 1986 total. Sales by type of apparel were reported as follows:

Discount Stores (continued)

Discount Store Sales of Infants' & Girls' Wear By Type: 1987

	% of Total
Infants's Wear	100.0%
Boys'	52.0
Girls'	48.0
Girls' wear	100.0
Tops	23.9
Bottoms	19.4
Intimate apparel	14.5
Dress, skirts	13.9
Activewear	11.6
Outerwear	6.8
Other	9.9

Source: DM, July 1988

Sales of boys' wear in discount stores in 1987 were reported at $1.9 billion, distributed as noted below.

Discount Store Sales of Boys' Wear By Type: 1987

	% of Total
Boys' wear	100.0%
Tops	36.8
Bottoms	21.9
Furnishings	15.3
Activewear	12.1
Outerwear	8.2
Suits, sportcoats	1.9
Miscellaneous	3.7

Source: DM, July 1988

Operating results in children's wear departments of discount stores in 1985-86 were reported by the National Mass Retailing Institute.

	Girls' (3-6X, 7-14)	Boys' (3-7, 8-20)	Infants' (Newborn to 4T)
Stockturns (departmental) (times)	4.4	3.8	4.2
Cumulative markup, % of original retail	44.9%	42.7%	35.7%
Stock shortage at retail	1.0	1.2	1.1
Markdown at retail	16.2	16.4	12.0
Gross Margin	35.3	33.3	27.5

Source: National Mass Retailing Institute

RETAIL TRADE

Department Stores

Trade information indicates that department stores have been losing market share in children's/boys' wear due to competition from discounters, national chains and specialty outlets. Reports on consumer purchasing patterns will be found in the following section on buying patterns; official data will not be available until the findings in the 1987 Census of Retail Trade are released.

Merchandising & Operating Results of Infants' Girls' & Boys' Wear In Department Stores With Total Sales Over $1 Million: 1987
(Median results)

	Infants' & Children's Clothing & Accessories Total	Girls' (4-6X,7-14) Clothing/ Underwear/ Accessories	Boys' (4-7) Clothing	Infants'& Toddlers Apparel & Furniture
Number of companies reporting	62	60	55	60
Net sales, % change from last year	4.5%	7.9%	5.8%	2.8%
Sales, % of total store sales	6.3	2.7	0.7	2.1
$ sales per square foot of selling space (main or largest selling unit)	$ 82.0	$ 87.0	$ 79.0	$ 87.0
Cumulative markon, %	51.1%	51.6%	50.9%	51.1%
Gross margin, % of sales (incl. cash discounts)	41.5	37.1	39.4	42.5
Advertising, % of net sales	2.9	2.8	3.1	3.1
Selling salaries, % of net sales	8.1	7.5	7.3	8.4
Number of stock turns (times)	2.9	3.1	3.0	2.9

Source: National Retail Merchants Association:
Merchandising and Operating Results of 1987 (1988 Edition)

CONSUMER PURCHASE PATTERNS: APPAREL

Infants', Childrens', Girls' Wear

Marketers of children's products of all types must focus attention on the children themselves, in addition to their parents or care-takers, to a much greater extent than just a few years ago. Children at an early age have become aware of the available products through television. They have a high degree of brand awareness, and develop preferences influenced by their peers as they are apt to be in child group situations as preschoolers.

Infants', Children's, Girls' Wear (continued)

Surveys have found that the average age at which children express an interest in branded apparel is about 6.5 years old. Children of mothers shopping in a "better" price category expressed interest in brands even earlier--the mean in these cases was 5.6 years.

The survey indicated that a child's friends have the strongest influence in shaping a child's "wants". Parents lost influence after reaching a peak when the child is three years old, according to the study. "Passive dictation" comes into play--a strategy by which the child dictates purchases by refusal to deal with products he doesn't want. Since grandparent and other relatives play an important role in giving gifts to children, they are eager to stay in tune with a child's expressed preferences.

Infants' Wear/Layettes/Preschool Children

According to a recent survey titled "Households With New Babies", conducted by Market Compilation and Research Bureau Inc. (MCRB), 11% of prospective mothers start shopping for baby products immediately upon learning they are pregnant. By the end of the sixth month of pregnancy, 70% have begun their purchasing. The highest percentage (29%) shopped for their baby goods in department stores, followed by 22% in discount stores, 19% in maternity stores, 14% in drug stores, 9% in mail catalogs, and 7% in baby stores.

Price was noted as the leading consideration in looking for baby merchandise, named by 32% of respondents, followed by selection, 30%. Convenience was next at 23%.

Showers and other gifts are major factors in the infants' wear market, adding to the estimated $3,000 or more spent on a child by parents during its first 12 months. The fact that over 40% of births are first births, and that mothers are increasingly older and more affluent has resulted in a greater outlay for the nursery. It has been estimated that parents spend only 69% as much on a second child as they spend on the first born.

An increase of almost 30% in spending for apparel for infants, toddlers and preschoolers was expected in a report on projected growth in a number of products in this market from 1988 to 1992.

Projected Growth in Retail Dollar Volume
Clothing for Infants', Toddlers & Preschoolers
(In millions)

1988	1989	1990	1991	1992	% Change 1992/1988
$7,682	$8,220	$8,795	$9,367	$9,976	29.9%

Source: James U. McNeal, Children As Consumers, 1987
(Lexington Books)

CONSUMER PURCHASE PATTERNS: APPAREL

Purchasing patterns in soft goods are tracked by independent research organizations through tracking studies in which nationwide samples of households report in detail on their monthly purchases.

The following information on purchases of children's wear, including for boys age 3 to 16 years, for girls age 3 to 14, and infants' wear for boys and girls age 2 and under has been supplied by the KSA/NPD Purchase Panel, a joint venture of Kurt Salmon Associates and the NPD group. The panel consists of 11,500 households and their reports form the basis for NPD market projections on purchases in retail outlets.

Market Estimates: Juvenile Apparel: 1987, 1988

	1988	1987	% Change 1988/87
Reported apparel, total	$22,434.0	$20,854.4	8%
Infants' wear	3,925.3	3,319.1	19
Girls' wear	8,152.7	7,894.8	3
Boys' wear	10,356.0	9,640.5	7

Infants', Children's, Girls' Wear

Estimated Purchases of Infants', Children's, Girls' Wear By Major Classification: 1987, 1988
(Millions of dollars)

	1988	1987	% Change 1988/87
Infants' wear			
Girls'	$ 1,949	$ 1,639	18.9%
Boys'	1,980	1,664	19.0
Girls' wear			
Tops	1,314	1,380	- 4.8
Bottoms	915	945	- 3.2
Clothing (dresses, skirts, coats, jackets, etc.)	2,052	1,922	6.8
Intimate apparel	669	610	9.7
Hosiery	305	328	- 7.1
Sweats, warm-ups	448	468	- 4.3
Swimwear	182	185	- 1.6
Other	319	301	5.9

Trends in Purchases of Selected Girls' Wear
(Units & dollars in millions)

	Units		% Change	Dollars		% Change
	1988	1987	1988/87	1988	1987	1988/87
Girls'						
Underwear	$143.2	$140.7	2%	$154.9	$144.1	7%
Nightwear	50.8	49.5	3	353.7	320.6	10
Skirts	53.8	38.7	39	519.6	451.6	15

Source: KSA/NPD Purchase Panel

Infants', Children's, Girls' Wear (continued)

Based on purchase tracking studies, Kurt Salmon Associates/NPD has analysed consumer purchase patterns by type of retail outlet for specified major apparel classification. Stores classified as discounters garner the major share of unit purchases, and to a lesser extent dollar spending.

Share of Unit & Dollar Expenditures for All Girls' Wear & Infants' Wear
By Type of Retail Outlet: 1987, 1988

	Units		Dollars	
	1988	1987	1988	1987
Girlswear, total	100.0%	100.0%	100.0%	100.0%
Department stores	12.1	12.9	20.0	21.0
Mass merchandisers*	16.1	18.6	17.4	18.6
Discount stores**	47.2	44.4	32.0	30.6
Specialty stores	7.0	7.3	12.6	13.1
Other outlets	17.6	16.8	18.0	16.7
Infantswear, total	100.0	100.0	100.0	100.0
Department stores	12.6	12.7	21.8	20.1
Mass merchandisers*	16.8	18.1	16.8	18.6
Discount stores**	45.1	44.2	31.0	32.4
Specialty stores	5.7	6.6	9.6	10.1
Other outlets	19.8	18.4	20.8	18.8

* Includes Sears/Penny/Ward
**Includes K-Mart

Source: KSA/NPD Purchase Panel

Boys' Wear

Trends in Purchases of Selected Boys' Wear
(Units & dollars in millions)

	Units		% Change	Dollars		% Change
	1988	1987	1988/87	1988	1987	1988/87
Boys'						
Sweat apparel	138.5	121.1	14%	$1,097.6	$ 969.2	13%
Sweaters	38.9	36.3	7	484.7	456.9	6
Swimwear	18.1	17.0	6	114.1	105.0	9

Source: KSA/NPD Purchase Panel

KSA/NPD has also analyzed the pattern in purchases of major categories of boys' wear by type of retail outlet. As noted in girls' wear, the largest share of spending in terms of units and dollars was held by discount stores. Second position varied by type of apparel, and differed for share of units vs. dollars.

CONSUMER PURCHASE PATTERNS: APPAREL

Boys' Wear (continued)

Share of Unit & Dollar Expenditures for Reported Boys' Wear
By Type of Retail Outlet: 1987, 1988

	Units		Dollars	
	1988	1987	1988	1987
Boyswear, total	100.0%	100.0%	100.0%	100.0%
Department stores	11.3	13.8	19.0	22.4
Mass merchandisers*	17.8	19.1	20.2	21.0
Discount stores**	47.8	45.4	31.8	29.5
Specialty stores	5.6	5.6	10.7	10.2
Other outlets	17.5	16.1	18.3	16.9
Sweat apparel	100.0	100.0	100.0	100.0
Department stores	12.2	15.5	16.9	19.0
Mass merchandisers*	16.3	18.5	16.7	18.6
Discount stores**	46.8	45.9	37.2	37.5
Specialty stores	5.5	3.3	7.5	4.2
Other outlets	19.2	16.8	21.7	20.7
Sweaters	100.0	100.0	100.0	100.0
Department stores	19.4	25.9	25.1	31.5
Mass merchandisers*	24.3	24.0	22.8	20.3
Discount stores**	31.5	28.0	24.4	21.1
Specialty stores	9.3	11.4	12.3	16.0
Other outlets	15.5	10.7	15.4	11.1
Swimwear	100.0	100.0	100.0	100.0
Department stores	16.6	15.4	23.4	21.6
Mass merchandisers*	13.2	14.6	16.6	15.4
Discount stores**	49.5	42.2	36.6	34.6
Specialty stores	7.3	5.4	9.3	5.5
Other outlets	13.4	22.4	14.1	22.9

* Includes Sears/Penny/Ward
** Includes K-Mart

Source: KSA/NPD Purchase Panel

CONSUMER PURCHASE PATTERNS: JUVENILE FOOTWEAR

Purchases of footwear for boys', girls' and infants' are tracked by FMI (Footwear Market Insights), in an on-going tri-annual survey of 50,000 representative households throughout the nation. Panel participants keep detailed records on footwear purchases, which are the basis for FMI's market projections. FMI is a product of Kormos, Harris & Associates, Nashville, TN.

CONSUMER PURCHASE PATTERNS: JUVENILE FOOTWEAR

Except for infants' footwear, purchases of juvenile footwear (pairs) in 1988 lagged behind 1987. The boys' market was at 66.6 million pairs, 3 million pairs below the projected total for 1987. Athletic/tennis shoes dominate this market, accounting for 77% of boys' footwear purchases last year.

The girls' market reflected an annualized demand rate of 55.8 million pairs in 1988, down from the 57.5 million pair rate in 1987. About half of the girls' market consisted of athletic/tennis shoes. Sneakers, of course, account for a large share of the athletic/tennis classification.

The infants' market exceeded 55 million pairs, gaining 52.6 million pairs over the previous year's rate.

The Juvenile Footwear Market: 1986-1888
(Thousands of pairs)

Market Segments	1988	1987	1986	% Change 1988/87
Boys'	66,654	66,979	65,527	- 4.7%
Girls'	55,808	57,538	50,446	- 3.0
Infants'	55,327	52,632	52,269	5.1

Source: Kormos, Harris and Associates: Footwear Market Insights (FMI)

While unit purchases were down, 1988 footwear purchase patterns generally indicated an increase in average price paid for juvenile footwear, according to FMI. This is in line with increases in prices as measured by the Consumer Price Index. Total purchases were estimated at $2.8 billion for all juvenile footwear in 1988, about equal to 1987.

Purchase Patterns By Shoe Style: 1986-1988

	1988	1987	1986
Boys' market, total	100.0%	100.0%	100.0%
Dress	11.1	12.0	12.2
Casual	5.6	6.3	6.6
Athletic/tennis	77.2	75.2	73.2
Other & not reported	6.1	6.5	8.0
Girls' market, total	100.0	100.0	100.0
Dress	25.7	26.3	24.8
Casual	17.1	19.0	21.0
Athletic/tennis	49.5	45.5	45.2
Other & not reported	7.7	9.2	9.0
Infants' market, total	100.0	100.0	100.0
Dress	20.5	21.2	22.4
Casual	18.1	15.5	20.4
Athletic/tennis	54.1	52.2	47.5
Other & not reported	7.3	11.1	9.7

Source: Bases on FMI reports

CONSUMER PURCHASE PATTERNS: JUVENILE FOOTWEAR

Shoe stores of all types hold the largest share of consumer purchases of footwear in terms of pairs, particularly as the favored outlet for girls' and infants' shoes. Discount stores are the second most popular outlet type.

Purchase Patterns By Outlet Type: 1988
(Based on Pairs Purchased)

	Percent of Total Footwear Purchases		
	Boys	Girls'	Infants'
Total	100.0%	100.0%	100.0%
Shoe stores	38.2	42.2	41.0
Discount stores	33.0	33.6	34.4
Catalog chains	10.1	8.8	5.9
Department stores	8.2	7.3	6.1
Apparel specialty stores	0.9	1.2	1.9
Other outlets	9.6	6.9	10.7

Source: Kormos, Harris and Associates:
Footwear Market Insights (FMI)

OTHER JUVENILE PRODUCTS

Although estimates vary widely, an informal survey of the child care market (Wall Street Journal, April 16, 1986) indicated that most new parents should expect to spend about $3,000 to $5,000 in their child's first year. A few luxuries can push this cost closer to $10,000.

The basic necessities include a crib with bumpers, highchair, car seat, stroller, dresser, changing table, diaper pail, infant seat and infant carrier. An explosion in the number of baby products and a certain self-consciousness by parents in showing others how they are providing for their offspring means that parents probably choose from among more discretionary goods than at any time in the past.

The choice of infants' items and brands have been decided before the birth of the baby for 3 out of 4 purchasing decisions, according to First Moments, a distributor of baby product sample kits. As a result, marketers of infant and toddler products find it important to reach new parents as early as possible in order to plant the seeds of brand loyalty. The use of direct mail and prenatal magazines have become important sources for advertising their products. Free product samples, coupon sales and discounts are also widely used to influence and increase purchases.

The Infant, Toddler, Preschool Market:
Projected Growth in Retail Sales By Product Category: 1988-1992
(Millions of dollars)

	1992	1991	1990	1989	1988	Projected % Change 1992/88
Total	10,396	9,943	9,512	9,034	8,520	22.0%
Supplies & accessories	5,187	4,986	4,791	4,562	4,323	19.2
Baby care	4,959	4,803	4,618	4,398	4,169	18.9
Baby feeding	192	183	173	164	154	24.7
Toys	2,250	2,143	2,041	1,944	1,834	22.7
Juvenile furniture & nursery accessories	2,995	2,814	2,680	2,528	2,363	26.7

Source: Packaged Facts, Inc.

Juvenile Furniture

Detailed information on juvenile furniture and equipment of all types is lacking, and the void will not be filled until the Census Bureau releases data based on the 1987 Survey of Manufactures. The previous survey, covering 1982 results, showed the value of shipments of cribs by U.S. manufacturers at $74.8 million.

The value of all types of juvenile furniture shipped in 1986 was placed at about $351 million.

Value of Shipments By All U.S. Producers
Of Infants' and Children's Furniture: 1982, 1985, 1986
(In millions of dollars)

	1986	1985	1982	1986/85	% Change 1986/82
Infants' & children's wood furniture	$350.6	$321.1	$158.8	9.2%	120.8%

Source: U.S. Bureau of the Census:
1986 Annual Survey of Manufactures

Juvenile furniture has benefitted from the growth in births among two-career parents. Sales have gone from $700 million in 1979 to $1.8 billion in 1987, according to the Juvenile Products Manufacturers Association and Children's Business (June 1988).

American Baby magazine reported that parents spend approximately $800 on nursery furniture and equipment during a baby's first year.

OTHER JUVENILE PRODUCTS

Home Textiles

Production of crib sheets and pillowcases in U.S. mills has registered a steady decline since a peak of 695 thousand dozens in 1979. The latest annual compilation by the Census Bureau showed 1987 production at 494 thousand dozen, 29% below the 1979 level.

U.S. Production of Crib Sheets & Pillowcases: 1979-1987
(Thousands of dozens)

Year	Production	Year	Production
1987	494	1982	642
1986	520	1981	641
1985	543	1980	694
1984	653	1979	695

Source: U.S. Bureau of the Census, Current Industrial Reports: Sheets, Pillowcases, and Towels (MQ23X)

In the first nine months of 1988, factory shipments of crib sheets and pillowcases compared with the same period of 1987 were up 16.3% in quantity and about 19% in value. Results for the full year 1988 should show a sizeable gain over 1987 in both units and dollars. This would reverse the decline noted in recent years in the quantity shipped.

Shipments of Crib Sheets & Pillowcases by U.S. Mills

	Thousand Dozen	Value Thous. Dollars
For nine months:		
1988	436	$16,682
1987	375	14,025
Year:		
1987	507	19,176
1986	538	19,095
1985	559	18,381
1984	637	20,506

Source: U.S. Bureau of the Census: CIR (MQ23X)

The latest annual figures available on production of crib and receiving blankets, reported by the National Cotton Council of America shows production in 1987 gaining over the 1986 level. Compared with 1982, production of thermal woven crib blankets gained 32%, while output of other woven and nonwoven types delcined 3.4%.

OTHER JUVENILE PRODUCTS

Home Textiles (continued)

Production of Crib & Receiving Blankets
(Thousands of units)

	1987	1986	1985	1982
Total	6,983	6,772	6,846	6,904
Thermal woven	1,174	1,151	1,095	890
Other woven, nonwoven	5,809	5,621	5,751	6,014

Source: National Cotton Council of America: Cotton Counts Its Customers

The youth bedding market, including crib sheets, pillow cases, comforters and blankets, is growing at the rate of 15 to 20% a year, according to trade sources. Upgrading across the board, from tot to teen, is reported by many manufacturers; therefore more are offering coordinated collections, adding draperies, daybed covers and novelty items to the basics.

Springs Industries, a major supplier of juvenile bedding products to mass merchandisers through the Springs' Performance division, is now targeting department stores with an upscale assortment designed for a "home store" approach in department stores.

The juvenile bedding business has a preponderance of licensed characters, particularly for children over age three. Designer names have grown in importance as well as manufacturers' in-house designs. According to a survey by Home Fashions Magazine (February 1989), the best selling patterns in juvenile sheets, based on reports from 31 large retailers are currently the following: "Caught Napping" Mickey Mouse (Wamsutta), and Peter Rabbit (Canon Mills) and California Raisins (the Bibb Company). Of course, the popularity of designs varies widely by target age group. Some juvenile patterns are classics--particularly Sesame Street, Disney and Garfield.

The juvenile market is seen as a growth area for flannel sheets, and licensed patterns which have a strong recognition factor among consumers, and which also command higher price points, are becoming a growing part of manufacturers' offerings.

Mass merchants and national chains account for the major share of juvenile bedding business, followed by department stores and by specialty linen stores. A study by Home Fashions Magazine among 31 top volume retailers in these three store groups, representing 6,000 retail outlets, indicated that juvenile sheets represented 12% of the unit sales of sheets by mass merchandisers and national chains, 2% of department store business; 4% of specialty linen stores' sheet sales.

Price points and average number of juvenile sheet styles were reported as follows.

Home Textiles (continued)

Basic Assortments of Juvenile Sheets

	Price Points	Average Number of Styles
Mass merchandisers, national chains	$ 9.99-$19.99	9
Department stores	19.99- 34.99	3
Specialty linen stores	14.99- 29.99	9

Source: Home Fashions Magazine (February 1989)

Industry sources estimate that more than 80% of infant bedding is sold through mass merchants. This market has grown in recent years due not only to a modest upturn in births, but to the fact that so many births (over 40%) are first births, requiring completely new layettes, and also because many mothers are older and more affluent than in past years.

Mothers tend to buy the more utilitarian items for the nursery, such as crib sheets, while relatives and friends tend to buy comforters and decorative items as gifts. About two thirds of infant merchandise is purchased before the baby is born.

A survey of top volume merchants, including 20 mass merchandisers with 6,013 retail units, 20 department stores with 343 units, and 20 top linens specialty stores with 59 units, on merchandising of infants' bedding, etc., was conducted by Home Fashions Textiles. Findings on sales by category were reported as follows:

Percent of Infants' Bedding, Etc., By Category In Leading Outlet Types

	Mass Merchandisers	Department Stores	Linens Specialty Stores
Total sales	100%	100%	100%
Crib sheets	41	30	46
Blankets (all types)	26	21	9
Quilts, comforters	14	20	15
Bumper pads	10	15	16
Accessories	9	14	14

Source: Home Fashions Textiles (October 1986)

Dolls, Toys, Games, etc.: General Industry Statistics

The latest industry statistics on dolls, toys, games, etc., covering U.S. plants operating in 1986, indicate declines in manufacturing activity compared with 1982. Trade data shows continued declines in 1987 and 1988 as the industry lacked the stimulus of a megahit toy. Eliminating the effects of inflation the Department of Commerce has projected an increase of less than 1% in value of shipments of dolls, toys, games, children's vehicles in the year 1989. This reverses the declines noted in the previous two years. Over the longer terms, shipments of dolls, toys and games are expected to increase 1.0% annually from 1989 to 1993.

Dolls, Toys, Games, etc.: General Industry Statistics (continued)

Doll Industry (SIC 3942*)

	1986	1985	1982	% Change 1986/82
Number of companies	na	na	232	na
Number of establishments, total**	188	216	236	-13.0%
Number with 20 or more employees**	64	66	70	- 3.0
Employees, total (thous.)	3.0	3.5	7.1	-14.3
Production workers (thous.)	1.8	2.4	5.7	-25.0
Payroll (mil. $)	$ 48.4	$ 52.4	$ 84.7	- 7.6
Value added by manufacture# (mil. $)	235.0	231.3	208.1	1.6
Value of industry shipments## (mil. $)	470.6	496.0	396.3	- 5.1
Capital expenditures, new (mil. $)	na	16.2	7.1	na
New machinery and equipment (mil. $)	na	15.3	3.4	na

Toys, Games and Children's Vehicles (SIC 3944*)

	1986	1985	1982	% Change 1986/82
Number of companies	na	na	732	na
Number of establishments, total**	629	662	780	- 5.0%
Number with 20 or more employees**	187	212	253	-11.8
Employees, total (thous.)	30.0	27.6	43.8	8.7
Production workers (thous.)	22.3	20.6	32.2	8.3
Payroll (mil. $)	$ 504.3	$ 462.5	$ 625.0	9.0
Value added by manufacture# (mil. $)	1,663.1	1,714.8	2,622.6	- 3.0
Value of industry shipments## (mil. $)	3,264.7	3,323.7	4,476.0	- 1.8
Capital expenditures, new (mil. $)	112.4	68.2	111.5	64.8
New machinery and equipment (mil. $)	93.9	61.1	84.0	53.7

na not available

* Manufacturing plants (establishments) are classified by industry under the Standard Industrial Classification (SIC) system determined by the principal product made, shown below:

SIC 3942 covers establishments primarily engaged in the manufacture of dolls, doll parts and doll clothing, stuffed toy animals, etc.

SIC 3944 includes establishments engaged in manufacturing games and game sets for adults and children as well as mechanical and nonmechanical toys excluding bicycles. Product components are shown in the table on value of shipments by all U.S. manufacturers (page 54).

** Covers manufacturing establishments (plants) only, and each location is separately counted. Figures for 1985 and 1986 are from County Business Patterns.

Dolls, Toys, Games, etc.: General Industry Statistics (continued)

(footnotes continued)

Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished products inventories. It avoids the duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes the best value measure of individual industries.

The value of industry shipments includes both primary and secondary products made by manufacturers in the industry, as well as receipts for contract work and miscellaneous receipts. The value of primary products made in this industry, as well as the value of these products made by secondary producers is covered in the table below.

Source: U.S. Bureau of the Census:
1986, 1985 Annual Survey of Manufactures,
1982 Census of Manufactures

Trends in Value of Shipments By All U.S. Manufacturers: 1987-1989
(In millions dollars)

	1989(f)	1988(e)	1987(e)	% Change 1989/88	% Change 1988/87	% Change 1987/86
Dolls, toys, games (SIC 3942, 3944)						
Current $	na	$2,900	$2,851	--	1.7%	- 1.4%
Constant 1982$	$2,566	2,549	2,643	0.7	-3.6	- 2.0

Imports and Exports: 1986-1988
(In millions of current dollars)

	1988(e)	1987	1986	% Change 1988/87	% Change 1987/86
Dolls, toys, games, vehicles (SIC 3942, 3944)					
Value of imports*	$5,483	$4,043	$3,052	35.6%	32.5%
Import/new supply ratio**	0.654	0.586	0.513	11.6	14.2
Value of exports***	$ 289	$ 248	$ 184	16.5	34.8
Export/shipments ratio	0.100	0.087	0.064	14.9	35.9

(e) estimated (f) forecast na not available
* Customs value (price paid when sold for export)
** New supply is the sum of product shipments plus imports
***f.a.s. (free alongside ship)

Source: U.S. Department of Commerce:
U.S. Industrial Outlook, 1989

Dolls, Toys, Games, etc.: General Industry Statistics (continued)

Imports

According to U.S. Industry Outlook 1989, despite the weak dollar U.S. imports of toys, games and children's vehicles increased 57% in 1988, to an estimated $4.1 billion. Major suppliers were Japan, Taiwan, Hong Kong and China, which combined accounted for nearly three-fourths of U.S. imports in this classification. Imports of video games and parts accounted for much of the increase.

U.S. imports of dolls, however were down in 1988 for the first time in 5 years, to reach an estimated total of $1.4 billion (customs value). The decline is largely attributable to the higher prices for dolls due to increased costs of raw materials, as well as the lower value of the U.S. dollar vis-a-vis major foreign currencies. China, South Korea, and Taiwan were the major suppliers of dolls in 1988.

The import penetration ratio for dolls in 1988 was an estimated 87.3%, according to the Department of Commerce, compared with 86.1% in 1987 For toys, games, vehicles, the import penetration ratio was 63% vs. 52.2%.

Exports

After 4 years of steady decline, U.S. exports of dolls soared in 1988, to reach about $18 million (f.a.s.) according to Commerce Department estimates. Exports of toys and games increased an estimated 14% to $270.7 million in 1988.

Dolls, Toys, Games, etc.: Industry Shipments

The Toy Manufacturers of America report on sales and unit volume of toy shipments by type in 1988 and 1987. Specific toy categories that target the children's market were selected, although the games and puzzles category may also include products for adults. Total shipments of selected toys rose 2.0% in dollar value to $4,852 billion from $4,758 billion in 1987. However, there was a 1.6% drop in the quality of toy shipments to $1,101 million from $1,119 million in 1987. The fall in unit shipments may indicate that higher price points produced the increase in dollar volume, along with trading up on the part of customers.

Dolls, Toys, Games, etc.: Industry Shipments (continued)

Industry Shipments of Selected Toy Categories
(Dollars and units in millions)

	Dollar Sales		% Change	Unit Sales		% Change
	1988	1987	1988/87	1988	1987	1988/87
Total	$4,852	$4,758	2.0	$1,101	$1,119	1.6%
Infant/Preschool	867	776	11.7%	166	167	0.6
Dolls	966	867	11.4	121	119	1.7
Plush	687	1,174	41.5	99	193	48.7
Games & Puzzles	950	830	14.5	205	193	6.2
Activity toys	1,382	1,138	21.4	510	447	14.1

Dolls, Toys, Games, etc.: Retail Sales

The Toy Manufacturers of America reported a total of $12.75 billion in toy retail sales in 1988. This accounted for a 3% increase over 1987 when sales were $12.5 billion.

Trends in the toy industry show a shift back to basics, as consumers are demanding such traditional toys as scooters, bicycles, model kits, board games and building blocks. Old-time favorites such as GI Joe and Barbie have also been performing well. As a result, toy manufacturers are concentrating on marketing and improving established brands, and promoting toys based on tradition. In response to the growing popularity of miniature toys, manufacturers are also introducing small-scale versions of toys, such as mini action figures and tiny dolls.

Sales in the electronic toys category have remained strong. Nintendo, the top brand in home video games, experienced over $1 billion in sales in 1988. The demand for electronic learning aids for pre-schoolers has also contributed to the uptrend of sales in this category. Electronic learning aids and building blocks make up about two-thirds of the educational toy market, according to NPD Group. The rest is made up of puzzles, word games and other staple educational lines. Overall, this market did not fare well in 1988, as manufacturers shipments of science-oriented toys were down 27% from 1987 to $4.8 million; word game shipments were down 27% from 1987 to $17 million and puzzles dropped 43%.

After 30 years in retail stores, Barbie is still a big seller in the doll market. Also popular are basic no-name dolls and mini or tiny dolls, which have been taking business away from the once extremely popular Cabbage Patch doll. Many department stores have been carrying plush toys, and some have even developed their own private label plush lines. Although this is the case the Toy Manufacturers of America reported a 48.7% drop in unit shipments of musical, electronic and traditional plush toys in 1988.

Dolls, Toys, Games, etc.: Retail Sales (continued)

The 1987 share of consumer spending for specified toy categories by outlet type is reported by NPD Research, Inc. Figures show discount stores to be the number one outlet choice for purchases in all the categories measured, capturing a 35% share of spending for toys. With a 26% share of total toy dollar volume, national toy chains ranked second based on consumer purchase tracking studies by NPD.

Percentage of Specified Toy Purchases by Store Type, 1987
(Share of dollar volume)

	Total	Infant/ Pre-School	Dolls	Plush	Action Figures	Games/ Puzzles	Guns
Discount stores	35%	33%	37%	38%	38%	33%	45%
National toy chains	26	28	30	17	28	26	21
Chain stores	6	5	6	5	6	4	1
Catalog showrooms	5	7	4	3	6	5	2
Department stores	4	3	4	8	3	4	7
All other toy stores	5	5	5	4	5	5	4
Food/drug stores	4	5	2	6	5	6	6
Variety stores	2	2	3	3	4	3	4
All other	13	12	9	16	5	14	10

Source: NPD Research, Inc.
Discount Merchandiser (February 1989)

Dolls, Toys, Games, etc.: Licensing

Stores magazine cited the latest figure on retail sales of licensed toys and games at $7.8 billion, accounting for about 14% of sales for all licensed products. These figures fell from 1986, when sales accounted for 15.5% of the market at $8.3 billion. This 6% sales decline contrasts the rapid growth the licensed toy and games industry had experienced in the past decade.

With the addition of many new licenses, the toy market has become over-saturated. As a result, toy manufacturers are trying to shift away from short-lived, oversold characters. Many are returning back to basic, old-time favorites such as Disney, Sesame Street and Peanuts characters. Other companies have also been successful in launching their own toy licenses. These include food companies, who have created their own playfood lines, and the Black & Decker Company, who has launched a line of toy appliacnes.

The Licensing Industry Merchandisers Association finds character licensing to be the most popular in the toy market, followed by corporate licensing and personality licensing. Most of these licenses are found in the doll and figure/playsets category, although many are also found in pre-school and board games category.

SCHEDULE OF ADDITIONAL FACT FILES

THE CHILDREN'S MARKET: INFANTS', TODDLERS', GIRLS' AND BOYS' (APPAREL, JUVENILE PRODUCTS, TOYS/DOLLS): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

CONSUMER MARKET DEVELOPMENTS (1989 Edition): An overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are inclued as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

DEPARTMENT STORE SALES (1989 Edition): Outlines ownership change/ reorganizations in the past year affecting major department and specialty stores. Buying headquarter locations of stores are listed with information on sales and number of outlets included in this total. Notes are included on plans to open and/or close stores. Sales and outlet information is separately listed for corporate headquarter and for national chains.

DRESSES (WOMEN'S, MISSES' & JUNIORS'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, and value of shipments, industry location and trends in employment levels. Analyzed is the governing impact of imports on total U.S. market supply. Reatil sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Covers developments in the U.S. industry in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

FOOTWEAR (MEN'S, WOMEN'S, BOYS', GIRLS') (A 1989 Edition): A statistical summary of the U.S. footwear industry and U.S. market. Covers domestic production and shipments, and details trends in imports and their share of the domestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising results for shoe departments.

HOME TEXTILES & RELATED PRODUCTS: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/ draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

HOSIERY/LEGWEAR/BODYWEAR (MEN'S, WOMEN'S, BOYS' GIRLS'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections and estimates are included on retail sales of major products by type of retail outlet.

HOUSEHOLD APPLIANCES, ELECTRIC HOUSEWARES: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

HOUSEHOLD FURNITURE AND BEDDING: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

MEN'S CLOTHING AND FURNISHINGS: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work,/career apparel/and tailored wear in both department and men's wear stores.

MEN'S SPORTSWEAR, CASUAL WEAR, OUTERWEAR: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

THE SPORTS/FITNESS/LEISURE MARKETS: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics and sports participation levels and purchases of specific sports equipment. Also buying habits in relation to activewear and sports equipment.

SPORTSWEAR, CASUAL WEAR, SEPARATES (WOMEN'S, MISSES' AND JUNIORS'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

THE TEXTILE/APPAREL INDUSTRIES: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

TOILETRIES, COSMETICS, FRAGRANCES AND BEAUTY AIDS: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

WOMEN'S INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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Men's Clothing and Furnishings

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MEN'S CLOTHING AND FURNISHINGS

MARKET TRENDS

The men's suit business has been quite strong for the last 2 years through early 1989, but sport coat sales fell drastically. Higher priced suits held up better than mid-priced. All tailored clothing manufacturing has been affected by the sharp increase in raw wool prices. This has had a major impact on men's dress slacks. To accommodate demand for lower priced dress slacks, the wool content of such garments has been reduced to as low as 20%.

Consolidation and concentration in tailored clothing and men's furnishings manufacturing has continued apace throughout the eighties. Relative data from the 1987 Census of Manufactures may not be available before 1990, but will reflect the growing concentration of apparel manufacturing. Most large apparel manufacturers produce some portion of their goods off-shore.

In the tailored clothing industry, Hartmarx remains by far the largest producer, with an estimated 20% share of higher priced business.

Tailored clothing and furnishings prices, at both the producer and consumer levels have paralleled changes in price levels generally, according to the Bureau of Labor Statistics. However, shirt prices have advanced slightly above the norm.

Imports have continued to penetrate all sectors of apparel supply. In tailored clothing, 30.1% of the unit volume of suit consumption is imported; 34.5% of separate dress and sport coats; 33.6% of separate trousers. In furnishings, imported shirts account for 47.7% of domestic consumption. The only area which has not been deeply penetrated is knit underwear, of which only 7.8% of consumption is imported.

The pattern of sales at retail stabilized somewhat during the late eighties. Full-price specialty stores continue to account for a major portion of tailored clothing sales: 42-44% of suits and 32% of sport coats, although there has been a slow loss of business to off-price specialty stores.

The problem faced by producers of tailored apparel is that there is a counter-trend among men which favors a more casual lifestyle and the wearing of apparel which reflects such attitudes.

The merchandising strategy adopted by many manufacturers seeks to accommodate these changing lifestyle attitudes by producing products which convey a sporty image. Sportswear styling has moved in a more radical direction than can be accommodated by tailored clothing manufacturing. For example, a sport coat is often regarded as weekend formal wear, but in 1988 "in" weekend wear involved items like sweater and leather combinations. A benefit, however, for tailored wear producers is the fact that age group demographics are heavily skewed toward mature men in the 35-55 age bracket. Such men are more concerned with buying appropriate suits than sport coats.

Suppliers of uniforms and career apparel have shown steady growth. The traditional users of uniforms are such obvious categories as policemen, firemen, security personnel, airline pilots, the military, bands and quasi-industrial users like United Parcel. In recent years, however, the major growth has taken place in hospitality, entertainment and various service industries like car rental agencies.

The tailored uniform industry is unusually stable as compared with other types of apparel manufacturers. Once a customer's specifications are met, there is little inclination to change. The result is that the major companies in the field 20 years ago are still there. (Of special interest to the tailored clothing industry are uniforms for personnel like airline pilots, car rental agencies and entertainment operations such as Disney's Disneyland and Disneyworld.)

The manufacturers are represented both by specialists like Angelika, Fechheimer, Unitogs and Superior Surgical and specialized divisions of companies which serve a more general public. Among the latter, are the Thorngate Division of Hartmarx, Greif, Londontown, Arrow, Van Heusen, John Peel and Jantzen.

An interesting change in merchandising emphasis has been a movement away from spectacular, to apparel which is strictly in keeping with the requirements of the job. For example, the airlines vied with one another in dressing their hostesses in hot pants or couture fashions. However, this back-fired because the hostesses found it difficult to enforce discipline in getting passengers to fasten seatbelts or limit drinking. Today, airline uniforms are more appropriate to the job and imply a certain authority.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

A complete census of all U.S. manufacturing plants is compiled every five years by the U.S. Bureau of the Census. Preliminary results from the latest census, (1987) covering operations in the men's wear industry are detailed below, as well as 1982 census data. Comparable data has been reported by the Census Bureau for 1986 in the Annual Survey of Manufactures. The annual surveys are based on a sample of manufacturers in order to develop estimates on key measurements of manufacturing activity during intercensal periods.

Men's & Boys' Suits & Coats (SIC 2311*)

	1987(p)	1986	1982	% Change 1987/82
Number of companies	285	na	443	- 35.7%
Number of establishments, total**	341	386	529	- 35.5
Number with 20 or more employees	242	252	344	- 29.6
Employees, total (thous.)	56.4	59.5	75.2	- 25.0
Production workers (thous.)	49.2	52.8	65.0	- 24.3
Payroll (mil. $)	$ 799.6	$ 808.3	$ 878.2	- 8.9
Value added by manufacture# (mil. $)	$1,945.2	$1,871.9	$1,681.2	15.7
Value of industry shipments ## (mil. $)	$3,192.2	$3,242.0	$3,061.5	4.3
Capital expenditures, new (mil. $)	$ 32.3	$ 29.0	$ 24.6	183.3
Machinery & equipment, new (mil. $)	$ na	$ 21.1	$ 17.0	--

Men's & Boys' Separate Trousers (SIC 2325*)

	1987(p)
Number of companies	310
Number of establishments, total**	477
Number with 20 or more employees	411
Employees, total (thous.)	93
Production workers (thous.)	82
Payroll (mil. $)	$1,093.0
Value added by manufacture# (mil. $)	$3,242.0
Value of industry shipments ## (mil. $)	$5,843.0
Capital expenditures, new (mil. $)	$ 73.5
Machinery & equipment, new (mil. $)	$ na

Comparable data for earlier years is not available.

(continued)

GENERAL INDUSTRY STATISTICS

Waterproof Outerwear (SIC 2385*)

	1987(p)	1986	1982	% Change 1987/82
Number of companies	58	na	98	- 40.8%
Number of establishments, total**	65	99	112	- 41.6
Number with 20 or more employees	39	63	76	- 48.7
Employees, total (thous.)	6.4	8.3	9.3	- 31.1
Production workers (thous.)	5.3	7.3	8.0	- 33.7
Payroll (mil. $)	$ 84.1	$ 95.6	$ 101.1	- 16.7
Value added by manufacture# (mil. $)	$ 169.8	$ 182.9	$ 246.0	- 31.0
Value of industry shipments ## (mil. $)	$ 329.4	$ 386.1	$ 449.2	- 26.7
Capital expenditures, new (mil. $)	$ 3.2	$ 5.0	$ 4.6	- 30.4
Machinery & equipment, new (mil. $)	$ na	$ 2.1	$ 3.0	--

Men's & Boy's Shirts (SIC 2321*)

	1987(p)	
Number of companies	73	
Number of establishments, total**	100	
Number with 20 or more employees	79	Comparable data
Employees, total (thous.)	78.9	for earlier years
Production workers (thous.)	68.3	is not available.
Payroll (mil. $)	$ 902.0	
Value added by manufacture# (mil.$)	$2,144.0	
Value of industry shipments## (mil.$)	$4,028.0	
Capital expenditures, new (mil.$)	$ 65.0	
Machinery and equipment, new (mil. $)	$ na	

Underwear (SIC 2322*)

	1987	
Number of companies	73	Comparable data
Number of establishments, total**	100	for earlier years
Number with 20 or more employees	79	is not availble.
Employees, total (thous.)	17.5	
Production workers (thous.)	16.4	
Payroll (mil.$)	$ 204.1	
Value added by manufacture# (mil.$)	$ 585.3	
Value of industry shipments## (mil.$)	$ 1,069.5	
Capital expenditures, new (mil.$)	$ 8.6	
Machinery and equipment, new (mil. $)	$ na	

(continued)

GENERAL INDUSTRY STATISTICS

Knit Underwear Mills (SIC 2254*)

	1987	1986	1982	% Change 1987/82
Number of companies	59	na	72	- 18.1%
Number of establishments, total**	65	66	84	- 22.6
Number with 20 or more employees	46	58	61	- 24.6
Employees, total (thous.)	22.3	22.3	22.3	-0-
Production workers (thous.)	20.5	20.5	20.0	2.5
Payroll (mil.$)	$ 243.0	$ 251.8	$ 232.3	4.6
Value added by manufacture# (mil.$)	$ 534.9	$ 559.8	$ 446.2	19.9
Value of industry shipments## (mil.$)	$1,086.0	$1,277.6	$ 829.9	30.9
Capital expenditures, new (mil.$)	$ 32.1	$ 33.5	$ 9.3	245.2
Machinery and equipment, new (mil. $)	$ na	$ 24.2	$ 7.4	--

Neckwear (SIC 2323*)

	1987(p)	1986	1982	% Change 1987/82
Number of companies	138	na	165	- 16.4%
Number of establishments, total**	142	na	170	- 16.5
Number with 20 or more employees	54	na	91	- 40.6
Employees, total (thous.)	7.4	5.9	6.7	10.4
Production workers (thous.)	6.2	4.8	5.3	17.0
Payroll (mil.$)	$ 117.0	$ 79.9	$ 83.0	41.0
Value added by manufacture# (mil.$)	$ 255.7	$ 179.6	$184.5	38.6
Value of industry shipments## (mil.$)	$ 475.6	$ 341.5	$335.0	42.0
Capital expenditures, new (mil.$)	$ 6.2	$ 1.4	$ 4.9	26.5
Machinery and equipment, new (mil. $)	$ na	$ 1.4	$ 4.8	--

Hats & Caps (SIC 2352*)

	1986	1982	% Change 1986/82
Number of companies	na	285	na
Number of establishments, total**	227	314	na
Number with 20 or more employees	104	136	na
Employees, total (thous.)	12.3	13.2	- 6.8%
Production workers (thous.)	10.4	11.8	- 11.9
Payroll (mil.$)	$ 14[illegible].0	$132.2	8.9
Value added by manufacture# (mil.$)	$ 274.2	$244.7	12.0
Value of industry shipments## (mil.$)	$ 51[illegible]5	$432.4	19.9
Capital expenditures, new (mil.$)	$ [illegible].2	$ 7.7	- 6.5
Machinery and equipment, new (mil. $)	$ 4.2	$ 4.3	- 2.3

(continued)

GENERAL INDUSTRY STATISTICS

Hosiery (SIC 2252*)

	1987(p)	1986	1982	% Change 1987/82
Number of companies	373	na	376	- 0.8%
Number of establishments, total**	425	372	420	1.2
Number with 20 or more employees	276	126	263	4.9
Employees, total (thous.)	36.5	32.9	32.6	12.0
Production workers (thous.)	32.5	$ 28.9	28.8	12.8
Payroll (mil.$)	$ 372.0	$ 414.7	$ 326.5	13.9
Value added by manufacture# (mil.$)	$ 960.0	$ 736.7	$ 617.3	55.5
Value of industry shipments## (mil.$)	$1,952.3	$1,618.9	$1,443.4	55.3
Capital expenditures, new (mil.$)	$ 32.1	$ 29.4	$ 31.4	2.2
Machinery and equipment, new (mil. $)	$ na	$ 22.4	$ 24.2	--

na not available
(p) preliminary
* SIC (Standard Industrial Classification) 1987 definitions. (Note revisions by the Census Bureau):

2311 Establishments primarily engaged in manufacturing men's, youth's, and boys' suits, coats and overcoats, as well as tailored dress and sport coats. Establishments primarily engaged in manufacturing uniforms (military, policemen's, firemen's, etc.) are also included. Those manufacturers engaged primarily in making work and sport garments are not included.

2325 Establishments primarily engaged in manufacturing men's, youth's and boys' separate slacks and trousers. (SIC 2327 has been dropped and in its place, SIC 2325 has been established. SIC 2325 also covers dress slacks, sport trousers and casual cut jeans. Casual cut jeans were formerly classified with work wear under SIC 2328.)

2385 Establishments primarily engaged in manufacturing raincoats from purchased rubberized fabrics and other waterproof outer garments made from such material as pliofilm and cellophane. The industry includes manufacturers of garments for men, women and children.

2321 Comprises establishments primarily engaged in manufacturing men's, youths' and boys' dress and sport shirts. Also includes manufacturers of knit outerwear sports shirts from purchased knit fabric. Does not include work shirts which are classified in SIC 2328. This SIC formerly included nightwear, which under SIC definitions established in 1987, is now included in SIC 2322.

2322 Includes establishments primarily engaged in manufacturing men's, youths' and boys' underwear and nightwear cut and sewed from purchased woven or knit fabric.

(continued)

(footnotes continued)

2254 Includes establishments primarily engaged in knitting underwear and nightwear from yarn, or in making them from knit fabric produced in the same mill.

2323 Comprises establishments primarily engaged in manufacturing men's, youths' and boys' neckties, scarfs and mufflers cut and sewed from purchased woven or knit fabric.

2352 Includes establishments primarily engaged in manufacturing hats, caps and hat bodies. Millinery is not included.

2252 Includes mills primarily making men's and boys' hosiery. It includes mills engaged in knitting, dyeing or finishing hosiery, except women's hosiery. In addition to men's and boys' hosiery, the industry makes anklets for women and children, slipper socks, etc. (For more information on Hosiery, please see Fairchild's Hosiery Fact File.)

** Covers manufacturing establishments (plants) only, and each location is separately counted. Not included are separate auxiliary locations serving the plants (i.e. administrative offices, purchasing offices, sales promotion offices, etc.) Information on establishments for 1986 is from the Census Bureau's 1986 County Business Patterns.

Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished product inventories. It avoids duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes, the best value of measure of individual industries.

Value of industry shipments includes, along with receipts for contract work, all items made by or for each establishment from materials owned by it, and also miscellaneous receipts. It includes both primary and secondary products made in these industries. The value of the primary product alone (men's furnishings) of these industries, plus the value of those products produced by manufacturers classified in other industries, identified as "product shipments", are shown on pages 22-25. Figures are in current dollars, and not adjusted for inflation.

Note: In comparing 1987 value data with 1982, it should be kept in mind that no adjustment has been made for inflation.

Source: U.S. Bureau of the Census:
1982, 1987 Census of Manufactures,
1986 Annual Survey of Manufactures

GENERAL INDUSTRY STATISTICS

Employment & Earnings

Employment data for the years 1986 through 1988 has been generally flat for all apparel manufacturing as well as for tailored apparel and men's furnishings. This reflects both the impact of imports and also growing productivity since consumption of apparel at retail has grown at a modest rate.

It should be noted that employment and earnings data issued by the Bureau of Labor Statistics and the Census Bureau are not directly compatible due to differences in methodology used by each agency in compiling the figures.

Employment & Earnings of Selected Tailored Wear and Furnishings Industries, 1986-1988

	Annual Averages			% Change
	1988	1987	1986(r)	1988/87
Men's & boys' suits & coats (SIC 2311*)				
All employees (thous.)	58.3	57.9	59.5	0.7%
Production workers (thous.)	50.4	49.7	51.2	1.4
Average weekly earnings	$253.5	$241.2	233.7	5.1
Average weekly hours	36.9	36.0	35.3	2.5
Average overtime hours	1.4	1.1	0.9	27.3
Men's & boys' separate trousers (SIC 2325*)				
All employees (thous.)	49.6	49.5	54.4	0.2
Production workers (thous.)	43.2	43.4	47.7	- 0.5
Average weekly earnings	$198.9	$196.5	$192.4	1.2
Average weekly hours	36.5	36.8	36.5	- 0.8
Average overtime hours	1.4	1.3	1.0	7.7
Shirts & Nightwear (SIC 2321*)				
All employees (thous.)	84.2	86.0	85.8	- 2.1
Production workers (thous.)	72.0	73.7	74.1	- 2.3
Average weekly earnings	$202.4	$196.7	$192.1	2.9
Average weekly hours	37.0	37.4	37.3	- 1.1
Average overtime hours	1.3	1.5	1.4	-13.3
Hosiery (SIC 2252*)				
All employees (thous.)	35.1	35.4	35.8	- 0.8
Production workers (thous.)	31.6	31.8	32.1	- 0.6
Average weekly earnings	$250.6	$243.4	$232.8	3.0
Average weekly hours	39.1	39.2	38.6	- 0.2
Average overtime hours	2.6	2.7	2.5	- 3.7
Knit Underwear Mills (SIC 2254*)				
All employees (thous.)	25.5	25.8	24.8	- 1.2
Production workers (thous.)	21.6	21.8	20.5	- 0.9
Average weekly earnings	$251.3	$245.0	$232.0	2.6
Average weekly hours	38.9	39.9	39.4	- 2.5
Average overtime hours	2.0	2.5	2.4	-20.0

* SIC codes page 6 and 7.

Source: U.S. Bureau of Labor Statistics: Employment & Earnings

Employment & Earnings (continued)

In 1989 a continuing cutback in employment is noted, particularly in shirts/ nightwear plants, as noted in the following table covering April and May.

% Change for Employment in Selected Tailored Wear and Furnishings: April & May, 1989/1988

	May 1989/88	April 1989/88
Men's & boys'		
Suits and coats	- 0.9%	- 0.9%
Furnishings	- 0.9	- 0.9
Shirts & nightwear	- 2.6	- 3.1
Separate trousers	- 1.4	- 1.4

Source: U.S. Bureau of Labor Statistics: Employment & Earnings

Please note: The first three paragraphs on Employment information below became available after the previously stated data had been compliled.

The BLS has issued employment benchmarks for industries not covered in monthly reports, including men's and boys' underwear and neckwear. The counts were as of March, 1981 through 1988.

Employment in the neckwear industry stood at 8.2 thousand in 1988, 5% above the March 1987 level, and the highest number reported in the eight year span. A low of 6.4 thousand was reported for March 1982.

March 1988 employment in the men's and boys' underwear industry reached 21.5 thousand, 14% over the year-ago level and, again, the highest level noted in the eight year period 1981-1988. The lowpoint was in 1982--reported at 13.5 thousand.

Bureau of Labor data shows that apparel wages and earnings are far below those in manufacturing generally. Weekly earnings average only 53% of those in all other manufacturing industries. Hourly rates are comparable. This has resulted in high rates of labor turn-over in areas where apparel manufacturing competes with hard goods manufacturing for workers.

Pay rates in men's tailored clothing are well above those paid in most cut-and-sew apparel manufacturing operations, but are on par with wages in the knit apparel sector. Overtime data is considered a bad indicator for the strength of the economy. When business increases, employers prefer to pay overtime wages to their workers rather than employing new workers.

Industry Concentration

Over the years, the apparel industry has been characterized by a small number of firms holding a dominant share of the market. Since capital requirements for fixed assets were relatively modest, entry was easy and within the means of entrepreneurs with limited capital. New firms came and went. This situation has been changing. As previously noted, there has been a growth in concentration in the men's wear industry. The Bureau of Census publishes concentration data developed in the regular census of manufactures. 1987 results will be assessed in a few months, but there is no reason to expect any basic change in the trend which is evident in the chart that follows.

Industry Concentration (continued)

Share of Value of Industry Shipments Accounted for by the Largest Companies

	No. of Companies	Total (mil. $)	Value of Industry Shipments % accounted for by largest companies: 4 largest	8 largest	20 largest	50 largest
Men's & boys' suits & coats						
1982	443	$3,061.5	25%	37%	57%	75%
1977	619	2,767.5	21	32	48	67
Men's & boys' separate trousers						
1982	269	2,165.4	30	45	64	83
1977	404	1,718.0	25	40	59	77
Waterproof outergarments						
1982	98	449.2	49	64	84	97
1977	157	348.8	41	52	70	90
Men's & boys' shirts & nightwear						
1982	535	3,188.0	18	27	45	65
1977	669	2,836.0	16	25	46	65
Men's & boys' underwear						
1982	61	439.0	61	77	94	99
1977	56	350.0	66	82	95	100
Knit underwear mills						
1982	72	$ 767.0	46	62	85	98
1977	80	580.0	38	56	83	98
Neckwear						
1982	165	310.0	23	36	56	83
1977	198	211.0	28	40	60	85
Hat & caps						
1982	285	417.0	24	38	56	77
1977	230	270.0	28	42	62	82
Hosiery, n.e.c.						
1982	376	1,325.0	20	29	46	66
1977	382	894.0	19	29	45	65

Source: U.S. Bureau of the Census:
1977, 1982 Census of Manufactures

Industry Concentration (continued)

Growing consolidation is being caused by the greater need for new capital equipment to improve productivity. Such capital can be more easily raised by large well financed enterprises. Parallel trends in retail consolidation have had an influence at the manufacturing level because very large retailers have a need for suppliers with the capacity to meet their requirements. However, within the tailored clothing and furnishings industry, there are important differences in the rate at which consolidation has been taking place.

In the suit industry a large number of firms with less than 20 employees still exist. However, most are small local custom tailors or firms that perform alterations for retailers. These establishments account for less than 5% of the value of shipments. For separate trousers, a handful of large companies dominate the industry. In the shirts & nightwear category there is a much lower rate of concentration. The underwear industry both knit and woven is dominated by fewer than 8 producers. In hosiery (not elsewhere classified), concentration is limited. Neckwear and hats & caps are characterized by low levels of concentration.

Number of Men's Tailored Wear Manufacturing Plants
By Employment Size: 1984, 1986

	1986		1984	
	Number	Percent	Number	Percent
Suits & coats (incl. boys')	386	100.0%	433	100.0%
By establishment size:				
Under 20 employees	134	34.7	144	33.3
20-49 employees	51	13.2	54	12.5
50-99 employees	47	12.2	64	14.8
100 or more employees	154	39.9	171	39.5
Separate trousers (incl. boys')*	295	100.0	317	100.0
By establishment size:				
Under 20 employees	80	27.1	77	24.3
20-49 employees	31	10.5	34	10.7
50-99 employees	35	11.9	33	10.4
100 or more employees	149	50.5	173	54.6
Rainwear (incl. women's)	99	100.0	102	100.0
By establishment size:				
Under 20 employees	36	36.4	28	27.5
20-49 employees	27	27.3	30	29.4
50-99 employees	17	17.2	17	16.7
100 or more employees	19	19.2	27	26.5

* Information in this case does not cover casual cut jeans.

Source: U.S. Bureau of the Census:
1984, 1986 County Business Patterns

GENERAL INDUSTRY STATISTICS

Plant Capacity Utilization

For the fourth quarter of 1987, men's and boys' suit and coat manufacturers in the U.S. operated at 93% of the preferred rate compared with 82% in 1986. The preferred rate is defined as a level, normally between actual operations and practical capacity, which the manufacturer would prefer not to exceed due to cost or other considerations. The following figures represent the ratio of actual utilization to the preferred level of operations.

Capacity Utilization Rates: Fourth Quarters 1982, 1986, 1987

Industry	1987	1986	1982
Suits & coats (men's & boys')	93	82	84
Separate trousers (men's & boys')	84	nr	86
Rainwear (men's & women's)	57	65	86
Shirts & nightwear (men's & boys')	96	90	82
Neckwear (men's & boys')	98	99	nr
Hats & caps, except millinery	60	61	nr
Hosiery	88	94	84
Knit underwear mills	96	83	80

nr not reported

Source: U.S. Bureau of the Census, Current Industrial Reports: Survey of Plant Capacity, 1987 MC-CL(87)-1

Leading Manufacturers

Leading Manufacturers of Tailored Clothing & Allied Apparel
Estimated Sales: 1988

	Estimated Sales
Hartmarx (manufacturing only)	$541.0
Haggar	275.0
Londontown	226.0
Levi Strauss	190.0
Farah	130.0
Palm Beach	125.0
Greif (Genesco)	124.7
Joseph & Feis	120.0
J. Schoeneman (Divison of Cluett Peabody)	110.0
Lanier Clothes (Division of Oxford Industries)	100.0
Pincus Brothers/Maxwell	100.0
Target Sportswear	90.0+
Cliftex Corp.	80.0

Source: Annual Reports
SEC Reports
and
Trade Reports

PRODUCTION

Tailored Wear

Data on the production of men's tailored clothing and rainwear is reported in the Current Industrial Reports compiled by the U.S. Bureau of the Census. All known manufacturers in the industry, except for very small producers (generally less than five employees), are surveyed for these annual reports. Figures include garments which are cut from U.S. fabric but assembled abroad and shipped back to U.S. under the terms of Item 807 of the Tariff Schedule.

Quarterly Current Industrial Reports issued by the Census Bureau provide preliminary information on the level of production in 1988. Information covers both men's and boys' wear, and is subject to some revision when final annual figures are released.

Production of Selected Men's & Boys' Wear
Percent Change 1988 Compared with 1987

	% Change 1988/87
Suits	10.0%
Dress & sport coats	- 4.6
Trousers, slacks, jeans, pants	- 10.4
Shirts, woven	- 15.8

Source: U.S. Bureau of the Census, Current Industrial Reports: Selected Apparel (MQ23A)

Domestic production in men's tailored wear was down by nine million units in 1987 as compared with the previous year. A decline was experienced in tailored sport coats, reversing a growth trend which had been taking place for a number of years. Separate trousers were also down by 3.2%. Since consumption of separate slacks has been growing, the decline in domestic production reflects the growing penetration by imports. Production of suits was basically unchanged while overcoats and top coats and rainwear were all up.

Summary of Production of Men's Tailored Clothing & Rainwear: 1986, 1987
(Thousands of units)

	1987	1986	% Change 1987/86
Tailored clothing, total	140,167	149,595	- 6.3%
Tailored suits, incl. uniforms	10,556	10,596	- 0.4
Trios	283	272	4.0
Overcoats, topcoats & tailored suburban & car coats, incl. uniforms	1,644	1,523	7.9
Tailored suit-type dress & sport coats, incl. uniforms	17,487	19,692	-11.2
Separate vests, excl. sweater vests	331	738	-55.1
Separate dress & sport trousers, incl. uniforms	110,149	113,839	- 3.2
Raincoats, incl. uniform (men's & boys')	3,103	2,938	5.6

(continued)

Tailored Wear (continued)

Explanation of Terms:

Tailored uniform suits:
Includes military, guard, band, police, fire and various items of career apparel like blazers worn by motel desk clerks, auto rental agency employees, airline personnel and bank tellers. Nontailored worktype suits, such as those worn by delivery drivers and gas station attendants, are not included.

Trios:
Includes tailored suits with a matching and contrasting pair of pants.

Overcoats, topcoats & tailored suburban, car & stormcoats:
Includes only tailored items including uniform, reversible, zipper-lined, fingertip and wool water-repellent coats. Excludes raincoats.

Raincoats:
Includes waterproof outercoats and water-repellent coats of cotton and man-made fibers including uniforms.

Separate vests, including uniform:
Includes vests which are not part of suits, excludes sweater vests.

Source: U.S. Bureau of the Census, Current Industrial Reports: Men's & Boys' Outerwear MA23A (87)-1

Production of Reported Categories of Men's Tailored Wear
By Fabric, Construction & Wholesale Price: 1982, 1986, 1987
(Thousands of units)

	1987	1986	1982	% Change 1987/86
Tailored suits, including uniform	10,566	10,596	11,543	0.3%
By fabric:				
All cotton & chiefly cotton	(D)	482	290	--
Man-made/wool blends, chiefly man-made	4,308	4,076	3,681	5.7
All man-made & chiefly man-made, except man-made/wool blends	1,444	2,311	3,201	- 37.5
All wool & chiefly wool	3,656	3,284	3,203	11.3
All other fabric	(D)	260	257	--
Fabric, n.s.k.	153	183	--	- 16.4
By wholesale price:				
Under $62.50	707	1,373	2,213	- 48.5
$62.50 - $99.99	2,750	3,463	4,239	- 20.6
$100.00 - $149.99	1,970	2,102	3,029	- 6.3
$150.00 - $199.99	3,018	2,388	1,723	26.4
$200.00 and over	1,638	913	--	79.4
Price, n.s.k.	478	357	339	33.9

(continued)

Tailored Wear (continued)

Production of Reported Categories of Men's Tailored Wear
By Fabric, Construction & Wholesale Price: 1982, 1986, 1987
(Thousands of units)
(continued)

	1987	1986	1982	% Change 1987/86
Overcoats, topcoats and tailored suburban and car coats, including uniform	1,644	1,523	2,646	7.9%
By fabric:				
All man-made & chiefly man-made	579	665	1,033	- 12.9
All wool & chiefly wool	772	607	752	27.2
All other fabric	202	222	891	- 9.0
Fabric, n.s.k.	(D)	(D)		--
Men's & boys' raincoats, incl. uniform	3,103	2,938	2,979	5.6
Plastic (with or without fabric trim)	1,980	1,866	1,588	6.1
Rubberized and/or coated fabric				
All other	1,123	1,072	1,391	4.7
Tailored suit-type dress & sport coats, including uniform	16,502	20,752	18,011	- 20.5
All cotton & chiefly cotton	2,011	2,608	766	- 22.9
Man-made/wool blends, chiefly man-made	3,455	2,841	4,397	21.6
All man-made & chiefly man-made except man-made/wool blends	5,376	6,893	6,982	- 22.0
All wool & chiefly wool	1,754	2,858	4,114	- 38.6
All other fabric	184	337	476	- 45.4
Fabric, n.s.k.	3,722	5,210	--	- 28.6
By wholesale price:				
Under $35.00	4,392	5,288	--	- 16.9
$35.00 - $49.99	4,245	5,320	--	- 20.2
$50.00 - $64.99	2,510	1,619	--	55.0
$65.00 - $79.99	1,647	2,228	--	- 26.1
$80.00 - $94.99	1,203	963	--	24.9
$95.00 - $109.99	685	1,261	--	- 45.7
$110.00 and over	2,247	2,240	--	0.3
Price, n.s.k.	558	773	--	- 27.8

(continued)

Tailored Wear (continued)

Production of Reported Categories of Men's Tailored Wear
By Fabric, Construction & Wholesale Price: 1982, 1986, 1987
(Thousands of units)
(continued)

	1987	1986	1982	% Change 1987/86
Separate vests, excl. sweater vests	331	738	1,998	- 55.1%
By fabric:				
All man-made & chiefly man-made	282	388	1,247	- 27.3
All wool and chiefly wool	24	44	82	- 45.4
Separate dress & sport trousers, incl. uniform				
By woven fabric:				
All cotton & chiefly cotton	22,426	16,871	14,780	32.9
Man-made wool blends, chiefly man-made	14,493	19,836	12,631	-26.9
All man-made & chiefly man-made, except man-made/wool blends	64,189	67,708	64,655	- 5.2
All wool & chiefly wool	(D)	7,879	7,349	--
All other fabric	(D)	1,000	6,476	--
By wholesale price:				
Under $5.99	1,039	635	--	63.6
$6.00 - $9.99	14,801	17,692	--	- 16.3
$10.00 - $13.99	59,234	58,539	--	1.2
$14.00 - $17.99	10,192	11,472	--	- 11.1
$18.00 - $21.99	4,236	5,538	--	- 23.5
$22.00 and over	10,735	9,813	--	9.4
Price, n.s.k.	9,912	10,150	--	- 2.3

n.s.k. not specified by kind
(D) Withheld to avoid disclosure of specific companies by Census Bureau

Source: U.S. Bureau of the Census,
Current Industrial Reports: Apparel (MA-23A)

PRODUCTION

Furnishings

The Census Bureau compiles annual reports on the production of men's furnishings by U.S. producers. This includes products which are cut in the U.S. from American fabric, sent outside of the country to be sewn, then shipped back to the U.S. under the 807 import category. In recent years, such products have come to account for a significant portion of total production.

There were declines in dress shirt production in both 1986 and 1987. This is a reflection of the deep penetration by imports rather than a decline in consumption. Pajama production has also declined over a five year period with imports playing a major role. However, production of most underwear products has advanced sharply. Many of the knit underwear producers are integrated from yarn spinning through the fabrication of finished products. They employ highly efficient machinery which makes them less vulnerable to import penetration. In addition, all of the large exporting countries are subject to restraining agreements, based on quotas related to square yard equivalents. The exporters seek to obtain the maximum value added in their exports. Underwear is not an inviting target.

Summary of Production of Reported Furnishings, 1982, 1986, 1987
(Men's only, except where noted)

	Thous. Dozen			% Change
	1987	1986	1982	1987/86
Dress & business shirts, incl. uniform	6,395	6,970	7,484	- 8.2%
Pajamas & other nightwear, excl. robes	999	1,088	1,333	- 8.2
Robes (men's & boys')	924	1,008	747	- 8.3
Lightweight undershirts, excl. T-shirts made for outerwear	22,729	17,431	14,125	30.4
Sleeveless type athletic undershirts (men's & boys')	--	3,766	2,779	--
Thermal underwear incl. tops, bottoms & one-piece (men's & boys')	4,700	4,516	3,711	4.1
Boxer shorts	5,227	4,802	4,393	8.8
Supporter-type knit briefs	27,927	25,484	24,170	9.6
Hosiery, size ten & up	64,156	67,651	62,002	- 5.2

na not available

Source: U.S. Bureau of the Census, Current Industrial Reports: Apparel, (MA23A)-Underwear & Nightwear, (MA23G); National Association of Hosiery Manufacturers: Hosiery Statistics (Annual Reports)

PRODUCTION

Furnishings (continued)

Production of Reported Types of Furnishings
By Type of Fabric & Construction, 1982, 1986, 1987
(Men's only, except where noted)

	Thous. Doz.			% Change
	1987	1986	1982	1987/86
Dress & business shirts, incl. uniform, total	6,395	6,970	7,484	- 8.2
All cotton & chiefly cotton	2,874	2,775	1,350	3.6
All man-made & chiefly man-made	3,451	4,122	5,809	-16.3
All other fabric	na	4	8	--
Fabric, n.s.k.	(D)	69	317	--
Pajamas & other nightwear, excl. robes, total	999	1,088	1,333	- 8.2
All cotton & chiefly cotton	735	684	833	7.4
Robes (men's & boys'), total	924	1,008	747	- 8.3
All cotton & chiefly cotton	192	220	154	-12.7
All man-made & chiefly man-made	676	713	-1	- 5.2
All other fabric	9	9	--	0.0
Fabric, n.s.k.	47	66	--	-28.8
Knit underwear				
Lightwear undershirts with 1/4 sleeve, excl. T-shirts made for outerwear, total	22,729	17,431	14,125	30.4
All cotton & chiefly cotton	19,461	17,431	4,614**	11.6
All man-made & chiefly man-made	3,255	na	9,274	--
All other fabric & n.s.k.	13	na	240	--
Thermal underwear, incl. winter weight (men's & boys'), tops, bottoms & one-piece, total	4,700	4,516	3,771	4.1
All cotton & chiefly cotton	3,044	2,913	1,245	4.5
All man-made & chiefly man-made	1,629	1,516	87	7.4
All other fabric & n.s.k.	27	87	134	-69.0
Knit shorts & briefs, total	27,927	25,484	24,170	- 9.6
All cotton & chiefly cotton	23,348	20,948	15,328	-11.4
All man-made & chiefly man-made	4,578	4,498	8,842**	- 1.8
All other fabric & n.s.k.	1	38	789	-97.4
Boxer shorts, men's, woven	5,227	4,802	4,394	- 8.8
All-cotton & all other cotton blends	3,801	3,336	4,156**	13.9
All man-made & chiefly man-made	1,470	1,452	238**	- 1.2

(na) not available n.s.k. not specified by kind
** Due to the fact that reporting categories have changed, 1982 data is not comparable.

Source: U.S. Bureau of the Census: Current Industrial Reports (MA23A), (MA23G)

Furnishings (continued)

Production of Reported Types of Men's Hosiery by Type:
1982, 1987, 1988

	Thous. Dozen			% Change
	1988	1987	1982	1988/87
Hosiery, size 10 & up, total	67,185	64,156	62,002	4.7%
Footsocks	1,062	1,012	352	4.9
Anklets	23,029	25,851	26,723	- 10.9
Mid-calf/crew	21,881	18,868	17,274	16.0
Knee-highs	21,213	18,425	17,653	15.1

Source: National Association of Hosiery Manufacturers:
1988 Hosiery Statistics

Materials Consumed in Production

Preliminary data just released by the Census Bureau based on the 1987 Census of Manufactures shows the value of materials consumed by plants classified in specified men's wear industries. Comparisons with available 1982 figures are shown below. However, it should be kept in mind that these are in current dollars, with no adjustment for inflation.

Delivered Cost of Materials Consumed in Men's & Boys' Wear Plants
(Millions of dollars)

Industry		Total	Broadwoven Fabrics	Knit Fabrics	Other Materials Containers Suppliers	N.S.K.
Suits & Coats:	1987	$ 839.0	$ 613.1	$ 35.0	$152.8	$ 38.1
(SIC 2311)	1982	897.7	500.8	75.3	184.2	137.4
Shirts:	1987	1,372.8	414.4	693.3	149.5	115.6
(SIC 2321)	1982	nr	nr	nr	nr	nr
Underwear, nightwear:	1987	378.6	48.2	290.7	30.1	9.6
(SIC 2321)	1982	nr	nr	nr	nr	nr
Neckwear:	1987	184.5	113.1	7.3	11.3	52.8
(SIC 2323)	1982	127.7	61.8	6.3	16.9	42.7
Trousers, slacks:	1987	1,974.5	1,563.3	61.4	237.7	103.1
(SIC 2325)	1982	nr	nr	nr	nr	nr

nr not reported
N.S.K. not specified by kind

Source: U.S. Bureau of the Census:
1987 Census of Manufactures MC87-1-23A(P)

Materials Consumed in Production (continued)

Fiber Consumption in Men's Underwear & Nightwear Production: 1982, 1986, 1987
(Millions of pounds)

	1987	1986	1982	% Change 1987/86
Total fiber	316.3	313.3	226.0	0.9%
Man-made fiber, total	100.0	108.8	79.6	- 8.1
Noncellulosic yarn	14.5	9.9	16.3	46.5
Noncellulosic staple	82.3	80.6	63.3	2.1
Cotton	147.9	177.4	145.4	-16.6
Wool	1.0	1.0	1.0	0.0

Source: Textile Economics Bureau:
Textile Organon (September, 1988)

Fiber Consumption in Men's & Women's Anklets & Socks
(Millions of pounds)

	1987	1986	1982	% Change 1987/86
Total fiber	199.8	206.0	172.9	- 3.0%
Man-made fiber, total	112.8	127.7	139.8	-11.7
Noncellulosic yarn	59.0	57.3	51.7	3.0
Noncellulosic staple	53.4	70.0	87.7	-23.7
Cotton	83.2	74.5	30.6	11.7
Wool	3.8	3.8	2.5	0.0

Source: Textile Economics Bureau:
Textile Organon (September, 1988)

Cotton Consumption in Specified Men's Apparel: 1988
(In thousands of square yards)

	Total Cotton and Other Materials	Cotton*	Other**
Tailored Wear:			
Suits	77,770	8,565	69,205
Coats & topcoats	6,195	450	5,745
Dress & sport coats	59,705	6,371	53,334
Men's & boys' separate trousers, dress & sport	253,052	105,563	147,489
Raincoats	6,193	2,477	3,716

(continued)

Materials Consumed in Production (continued)

Cotton Consumption in Specified Men's Apparel: 1988
(In thousands of square yards)
(continued)

	Total Cotton and other Materials	Cotton*	Other**
Furnishings:			
Dress & business shirts	206,829	128,808	78,021
Pajamas & nightwear	115,845	38,024	77,821
Underwear, total	936,046	783,768	152,278
Knit	866,042	739,689	126,353
Woven (boxer shorts)	70,004	44,059	25,945

* Includes both 100.0% cotton and estimates on cotton used in blends.
**Figures are difference(s) between "Total, Cotton and Other Materials" and "Cotton" figures. Represents man-made fiber at various blend levels and wool.

Source: National Cotton Council of America:
Cotton Counts Its Customers (1988 Edition)

Wool Fabric Consumption in Men's Tailored Clothing: 1986, 1987
(Millions of square yards)

	Total Worsted and Woolen		Worsted		Woolen	
	1987	1986	1987	1986	1987	1986
All blend levels (36%-100% wool)						
Total	92.3	93.5	68.0	66.3	24.3	27.2
Suits	31.3	28.6	29.8	27.2	1.5	1.4
Sport jackets	22.1	26.1	9.7	11.1	12.4	15.0
Outer jackets	6.0	7.1	0.3	0.4	5.7	6.7
Coats	3.5	3.0	0.2	0.2	3.3	2.8
Trousers	29.4	28.7	28.0	27.4	1.4	1.3
All and chiefly wool (50% & wool woven)						
Total	67.4	70.4	47.5	47.5	19.9	22.9
Suits	23.5	21.2	22.4	20.2	1.1	1.0
Sport jackets	13.0	16.6	4.1	5.2	8.9	11.4
Outer jackets	5.9	7.1	0.3	0.4	5.6	6.7
Coats	3.5	3.0	0.2	0.2	3.3	2.8
Trousers	21.5	22.5	20.5	21.5	1.0	1.0
Low wool content (36%-49% wool woven)						
Total	24.9	23.1	20.5	18.8	4.0	4.3
Suits	7.8	7.4	7.4	7.0	0.4	0.4
Sport jackets	9.1	9.5	5.6	5.9	3.5	3.6
Outerjackets	0.1	--	--	--	0.1	--
Trousers	7.9	6.2	7.5	5.9	0.4	0.3

Source: The Wool Bureau

PRODUCTION

Productivity

A study published by the Bureau of Labor Statistics in Nov. 1988 shows that productivity in the men's suits and coats industry increased at an average annual rate of 1.9% between 1967 and 1987. This compares with 2.5% for all manufacturing.

Employment in the industry also declined, almost twice as fast as output. During the twenty year period, productivity improved during the first five years at 3.1% per annum, slightly above the rate for all manufacturing. Then, during the ten year period from 1972 to 1983, productivity improvement dropped off to 0.7% per annum. During the most recent 1983 to 1987 period, productivity increased at the very high rate of 6.0% per annum.

The improvements in recent years are attributed to growing consolidation within the industry. The larger establishments have been able to introduce many improvements, including computerized cutting, which has reduced the man hours by roughly half. The fusing of interfacings has also eliminated many man hours of production time formerly required for basting operations. Then, improved materials handling and the automated sewing of various standard parts like pockets and waist-bands, has sped up production. The whole "Quick Response" program has done much to increase productivity. However, the study stresses the fact that tailored clothing production remains a highly labor intensive manufacturing industry, which remains vulnerable to competition from the low wage level countries.

PRODUCT SHIPMENTS

The U.S International Trade Administration, Department of Commerce, has reported the following trend information in both current and constant (1982=100) dollars.

Trends In Value of Shipments in Constant 1982 Dollars and Current Dollars
Selected Categories of Men's Wear 1986, 1987, 1988
(Value in millions of dollars)

Industry Data	1988(e)	1987(e)	1986
Value of shipments, current $			
2311 Men's & boys' suits & coats	$3,495	$3,335	$3,242
2321 Men's shirts & nightwear	4,290	4,090	3,795
2327 Men's & boys' trousers	--	--	2,175
Value of shipments, constant 1982 $			
2311 Men's & boys' suits & coats	2,942	2,931	2,928
2321 Men's shirts & nightwear	3,766	3,722	3,526
2327 Men's & boys' trousers	--	--	1,981

(continued)

Trends In Value of Shipments in Constant 1982 Dollars
and Current Dollars
Selected Categories of Men's Wear 1986, 1987, 1988
(Value in millions of dollars)
(continued)

	Compound Annual Change		Annual Change	
Current $:	1972-86	1981-86	1986-87(e)	1987-88(e)
2311 Men's & boys' suits & coats	2.2%	1.4%	2.9%	4.8%
2321 Men's shirts & nightwear	4.3	0.6	7.8	4.9
2327 Men's & boys' trousers	1.6	0.2	--	--
Constant 1982 $:				
2311 Men's & boys' suits & coats	-3.2	-1.7	0.1	0.4
2321 Men's shirts & nightwear	-0.8	-1.6	5.6	1.2
2327 Men's & boys' trousers	-3.3	-2.3	--	--

(e) estimated

Source: Department of Commerce,
International Trade Administration:
1989 U.S. Industrial Outlook

The data shows that while there were modest gains in value of shipments calculated in current dollars, in most cases the trend has been down if the effects of inflation are calculated.

Value of Shipments in Reported Men's Tailored Clothing
& Furnishings Categories: 1982, 1986, 1987
(Millions of current $)

	1987(p)	1986	1982	% Change 1987/82
Total, all reported categories	6,402.2	6,435.5	6,076.8	5.3%
Suits	1,152.6	1,206.3	1,078.6	6.7
Overcoats & topcoats	163.7	96.7	126.6	29.3
Tailored dress, sport coats & jackets	936.2	1,111.7	944.0	- 0.9
Separate dress & sport trousers	1,602.4	1,507.8	1,588.9	0.8
Rainwear, men's & boys*	124.0	113.0	116.5	--
Shirts, woven, dress & business, incl. uniform*	819.1	809.4	749.0	--
Pajamas & other nightwear*	212.0	81.8	167.0	--
Underwear, woven	97.0	86.9	78.9	22.9
Underwear, knit	1,086.1	1,116.3	916.9	18.4
Neckwear	421.1	305.6	310.4	35.7

(p) preliminary
* Figures are not comparable due to a change in reporting category.

Source: U.S. Bureau of the Census:
1982, 1987 Census of Manufactures;
1987 Current Industrial Reports

PRODUCT SHIPMENTS

Concentration of Product Shipments

The Bureau of Census data shows that concentration has been growing steadily in all areas of tailored clothing, less so in the furnishings industry. In the largest sector, shirts and nightwear, it may even be decreasing. Neckwear continues to be an area with little or no concentration. Findings in the 1987 census (when made available), are expected to show a continuation of this trend. Another aspect, however, not apparent in the census data, is the growing internationalization of apparel manufacturing for the U.S. market. The extent of internationalization, however, varies from one classification to the next.

The producers of traditional clothing, who are mostly members of the Clothing Manufacturers Association, are prevented by union contracts from sourcing or producing apparel off-shore. Of course, there may be a certain volume of imports which is originated by affiliated companies who do not have union contracts.

Popular priced suits, separates and sport coats, which are usually manufactured by sportswear methods, are often non-union or may have labor contracts which do not forbid offshore manufacturing. Most of the large firms are producing both in domestic plants and offshore. In the case of separate slacks, 807 programs are very important and account for approximately 10% of domestic production.

In 1987, according to the census, 33.6% of domestic consumption of separate slacks originated offshore. A substantial portion is believed to have been sourced by U.S. companies.

Almost half of domestic consumption of shirts is manufactured offshore. Many U.S. companies participate in this business either by ownership of offshore facilities or having product contract manufactured for them.

Concentration Among Large Companies

The Bureau of the Census collects concentration data among large companies in the men's wear industry. The latest available data covers up to 1982.

Share of Specified Men's Wear Product Shipments
By Largest U.S. Manufacturers: 1977, 1982

	Product Shipments (mil. $)	Percent of value accounted for by the largest companies			
		Top 4	Top 8	Top 20	Top 50
Suits, overcoats & sport coats					
1982	2,932.9	25	36	57	74
1977	2,719.2	20	30	46	66
Separate dress & sport trousers*					
1982	1,588.9	30	46	67	89
1977	1,308.3	28	39	57	78
Rainwear**					
1982	357.0	48	64	86	98
1977	313.1	34	46	68	90

*includes boys' **includes women's and children's

PRODUCT SHIPMENTS

Concentration Among Large Companies (continued)

Share of Specified Men's Furnishings Product Shipments
By Largest U.S. Manufacturers: 1977, 1982

	Product Shipments (mil. $)	Percent of value accounted for by the largest companies			
		Top 4	Top 8	Top 20	Top 50
Men's & boys'shirts & nightwear					
1982	3,118	18	27	45	65
1977	2,836	16	25	46	65
Men's & boys' knit or woven underwear					
1982	439	61	77	94	99+
1977	350	66	82	95	100
Men's & boys' neckwear					
1982	310	23	36	56	83
1977	211	28	40	60	85
Men's finished seamless hosiery					
1982	655	23	35	57	82
1977	465	24	36	59	82

Source: U.S. Bureau of the Census,
1982 Census of Manufactures:
Concentration Ratios in Manufacturing

PRICE TRENDS

Three developments in the prices of materials have had major effects on both the producer and consumer prices of tailored clothing and furnishings.

The most important has certainly been the major escalation in the price of raw wool. The largest producer of wool, Australia, has been able to set the world price of wool. In mid 1989, the price of 64's, medium-high grade apparel wool, appears to have stabilized around $3.50 a pound. This was $1.25 below the November 1988 peak, but still well above the old pre-escalation level which existed in 1985. The effect of the wool price increase has had important consequences for the price and volume of men's tailored clothing, including dress slacks.

Changing price relationships between cotton and polyester have also had an impact on fiber content and sales at the consumer level of major furnishings products such as dress shirts, pajamas and men's underwear.

PRICE TRENDS

In addition to the rise in domestic production costs, consumer price increases in tailored clothing and furnishigns reflect increases in import prices. According to the Department of Labor, prices of all imported apparel increased 1.7% in the second quarter of 1989 and 4.9% in the year ending in June 1989.

In comparison, the Department of Labor noted in a press release that wholesale prices for American produced apparel increased only 0.4% in the second quarter this year and 2.1% in the 12 month period ending in June.

Producer prices of men's and boys' apparel in June 1989, however, were 3.2% above the June 1988 level, bringing the index of prices to 116.3 (1982=100). The consumer price index for men's and boys' apparel in June 1989 rose 3.0% over the level in the same month a year earlier, bringing the index to 115.9 (1982-84=100).

Latest detailed indexes are reported in the following tables.

Producer (Factory) Prices

Producer Price Indexes For Reported Men's Wear
(1982=100 unless otherwise noted)

	Unadjusted Inexes			
	May 1989	Dec. 1988	Annual Avg. 1987	% Change May 1989/88
Men's & boys' wear, total	115.6	114.2	108.6	3.2%
Men's suits, business & other, regular & lightweight	122.8	121.4	111.5	6.9
Trousers, dress, sport & uniform, men's & boys'	113.4	110.0	107.1	4.3
Sportcoats, jackets, men's	122.1	120.2	110.7	5.3
Raincoat, other waterproof outer-garments, men's & boys' (6/85=100)	110.2	107.8	101.9	2.9
Hosiery, finished, men's	115.0	114.2	111.7	2.0
Underwear, men's & boys:				
Undershirts	116.1	115.4	106.9	3.4
Shorts, briefs, knit	109.4	108.4	105.6	1.5
Neckwear	116.8	115.0	111.1	3.7
Shirts, excl. sport & sweatshirts (men's & boys') (12/84=100)	119.3	118.3	106.4	6.4

Source: U.S. Bureau of Labor Statistics:
Producer Price Indexes
for Commodity Groupings
and individual items

PRICE TRENDS

Import Prices

Import price indexes are determined by the price of a product at the foreign port, excluding freight, insurance and tariff. The Department of Labor reports that the level of prices for imported men's and boys' woven outerwear surged 3% in the second quarter of 1989 and 7.4% in the year ending June 1989. (Indexes specifically on men's and boys' wear are shown below; other types are combined by the Labor Department with women's and children's wear.)

U.S. Import Price Indexes Reported For Men's & Boys' Wear: June 1989
(1985=100)

	Index		Percent Change	
	June 1989	March 1989	June 1989/88	June 89/March 88
Clothing, total	120.5	118.5	4.9%	1.7%
Men's & boys':				
Woven outerwear	130.9	127.1	7.4	3.0
Overcoats, other coats	131.1	131.9	7.5	- 0.6
Woven shirts	118.0	115.5	4.2	2.3

Source: U.S. Department of Labor,
Bureau of Labor Statistics news releases

Consumer Prices

Preliminary information for the month of June 1989 shows the consumer price index for men's and boys' apparel up 3% compared with June 1988. Reported detailed information as of May is covered below.

Consumer Price Index: Specified Men's Wear
(1982-1984=100)

	Seasonally Unadjusted Indexes				
	May 1989	Dec. 1988	Annual Averages 1988	1987	% Change May 1989/88
Apparel commodities, total	118.6	116.0	113.4	108.8	3.3%
Men's	120.5	117.8	114.6	110.0	4.4
Suits, sport coats, coats, jackets	121.9	121.5	115.3	110.6	6.0
Furnishings & special clothing	116.5	113.4	111.4	108.4	4.1
Shirts	125.1	123.3	120.4	114.3	2.7
Trousers, incl. jeans	118.5	113.8	112.1	107.5	4.8

Source: U.S. Bureau of Labor Statistics:
CPI Detailed Reports

FOREIGN TRADE

Data for the year 1988 shows that there have been substantial increases in the quantity and value of imports of men's suit and allied tailored clothing, separate trousers, dress shirts and other furnishings items. In the tailored clothing area imports now account for 30.1% of domestic consumption of suits, 34.5% of suit-type dress and sport coats and 33.6% of separate trousers. In furnishings, shirt imports accounted for 47.7% of domestic consumption and 41.9% of pajamas and other nightwear. Only in the knit underwear field did import penetration remain at the relatively low level of 7.8%.

By far, the largest exporter of wool suits to the United States in 1988 was Italy with 27% of the volume. Other important exporters were Korea, Poland, the Dominican Republic and Yugoslavia. In suits of man-made fibers, Korea, China, Taiwan and the Dominican Republic accounted for the lion's share.

In suit type sport coats, made mainly of wool, the Dominican Republic, Italy and China were key players. Cotton sport coat production was widely spread between China, Hong Kong, Korea and India. Man-made fiber sport coat imports originated in Korea, China, Mexico, the Dominican Republic and Columbia.

Woolen trouser and slack imports originated in Italy, Korea, and China, with a large number of countries contributing small shipments. The big exporters of cotton slacks were Hong Kong, the Dominican Republic, and Mexico, with a large number of countries shipping smaller amounts. Man-made fiber slack imports were dominated by Taiwan with 32% of the volume; followed by Mexico with 13%, China with 11%, and the Dominican Republic with 8%.

Hong Kong was the biggest source of cotton dress shirt imports, with a 28.0% share. China, Taiwan, Costa Rica, Malaysa and Singapore all contributed substantial amounts of dress shirts.

Imports

U.S. Imports of Specified Men's & Boys' Wear, 1988, 1987

	Quantity (Thous. Doz.)		Value (c.i.f.)* (Thous. $)		% Change in Value
	1988	1987	1988	1987	1988/87
Suits	407.5	403.2	302,254	252,286	19.8%
Man-made fibers	193.3	183.6	67,966	61,649	10.2
Wool	214.3	219.6	234,288	190,637	22.9
Suit-type sport coats	661.3	618.4	193,607	169,638	14.1
Wool	173.0	156.1	74,766	71,152	5.0
Cotton	116.1	158.9	24,922	30,127	- 17.3
Man-made fibers	372.2	303.4	93,919	68,359	37.4

(continued)

Imports

U.S. Imports of Specified Men's & Boys' Wear, 1988, 1987
(continued)

	Quantity (Thous. Doz.)		Value (c.i.f.) (Thous. $)		% Change in Value
	1988	1987	1988	1987	1988/87
Coats, excl. suit-type	3,396.0	3,428.0	525,693	503,983	4.3%
Cotton	1,440.0	1,482.0	236,122	233,848	1.0
Wool	116.0	144.0	61,174	68,449	- 10.6
Man-made fibers	1,840.0	1,802.0	232,397	201,686	33.6
Trousers, slacks & shorts	19,322.0	19,220.0	1,384,492	962,148	40.1
Cotton	12,269.0	11,946.0	895,037	481,074	86.3
Wool	384.0	338.0	84,878	71,370	18.9
Man-made fibers	6,668.0	6,936.0	443,577	409,704	8.3
Raincoats, cotton 3/4 length or longer	51.0	49.0	23,890	17,884	23.6
Shirts	16,160.0	16,802.0	985,145	907,299	8.6
Cotton, dress	4,987.0	3,946.0	421,757	299,311	40.9
Man-made, dress & sport	11,173.0	12,856.0	563,388	607,988	- 7.3
Knit underwear	5,461.0	4,959.0	60,216	49,507	21.6
Pajamas/Nightwear	1,070.0	1,188.0	55,675	55,956	- 0.6
Neckwear	22.0	22.0	100,110	77,012	30.0

*c.i.f. (cost, insurance, and freight) represents value at the first port of entry in the United States. U.S. import duties are not included.

Source: U.S. Bureau of the Census:
U.S. General Imports & Imports for Consumption, FT. 135
(December 1988)

Imports Share of Total Domestic Supply

Shipments, Exports, Imports & New Domestic Supply of Reported Types of Tailored Clothing and Furnishings (Men's & Boys'): 1986, 1987
(Quantity in thousands of dozens; value in millions of dollars)

1987	Suits		Suit-type Dress and Sport Coats		Trousers, Slacks and Shorts#	
	Quantity	Value	Quantity	Value	Quantity	Value
Manufacturers shipments*	1,036	$1,280.0	1,566	1,024	43,399	$5,200
Exports of domestic mdse.**	10	1.2	191	131	3,869	130
"807" imports	--	--	--	--	--	--
Total imports for consumption	441	338***	725	247***	20,374	1,667***
Net new domestic supply	1,467	1,616	2,100	1,257	60,670	6,736
Imports: % of supply	30.1%	19.6%	34.5%	19.6%	33.6%	24.7%

(continued)

Imports Versus Total Domestic Supply (continued)

Shipments, Exports, Imports & New Domestic Supply of Reported Types of Tailored Clothing and Furnishings (Men's & Boys'): 1986, 1987
(Quantity in thousands of dozens; value in millions of dollars)
(continued)

	Shirts Dress & Sport		Knit Underwear		Pajamas & Nightwear	
	Quantity	Value	Quantity	Value	Quantity	Value
Manufacturers shipments*	62,217	$3,080	68,321	1,159	2,401	$ 158
Exports of domestic mdse.**	3,865	104	328	5	464	11
"807" imports	--	--	--	--	--	--
Total imports for consumption	48,544	3,257	5,729	65	1,400	69
Net new domestic supply	101,665	6,120	73,722	1,219	8	5.5
Imports: % of supply	48.0%	53.0%	7.8%	5.5%	41.9%	32.0%

1986

	Suits		Suit-type Dress and Sport Coats		Trousers, Slacks and Shorts#	
	Quantity	Value	Quantity	Value	Quantity	Value
Manufacturers shipments*	1,049	$1,261.6	1,736	1,138.4	46,306	$5,405.5
Exports of domestic mdse.**	10	1.2	54	4.8	2,948	86.8
"807" imports	21	0.5***	184	19.6***	4,217	181.0***
Total imports for consumption	373	280.9	851	244.7	17,023	1,288.1
Net new domestic supply	1,412	1,541.3	2,533	1,378.3	60,381	6,607.1
Imports: % of supply	26.4%	18.2%	33.6%	17.8%	28.2%	19.5%

	Shirts: all types		Knit Underwear		Pajamas & Nightwear	
	Quantity	Value	Quantity	Value	Quantity	Value
Manufacturers shipments*	57,915	$2,887.6	64,540	$1,116.3	2,415	$ 159.8
Exports of domestic mdse.**	3,100	80.9	320	4.3	490	10.2
"807" imports	2,286	53.4***	233	1.4***	376	5.9***
Total imports for consumption	44,633	2,661.9	4,858	47.2	1,432	70.3
Net new domestic supply	94,592	5,369.2	69,078	1,159.2	3,357	219.9
Imports: % of supply	47.2%	49.6%	7.0%	4.1%	42.7%	32.0%

Includes jeans
* Value of manufacturers' shipments is f.o.b. plant
** Value of exports is value at port
***Includes cost, insurance and freight to port of entry (c.i.f. value), plus import duties
"807" value are total, including U.S. content

Source: U.S. Bureau of the Census:
Current Industrial Reports (MA23A)

Imports Versus Total Domestic Supply (continued)

The Penetration of Imports as a % of New Domestic Supply: 1982-1987

	1987	1986	1985	1984	1983	1982
Suits	30.1	26.4	28.9	26.3	20.8	12.2
Suit-type coats-dress & sport	34.3	33.6	32.8	30.4	21.9	11.2
Trousers, slacks & jeans	33.6	28.2	25.4	28.7	23.8	14.0
Shirts-all types	47.7	47.2	41.0	41.2	35.5	35.3
Knit underwear	7.8	7.0	5.4	na	na	na
Pajamas & other nightwear	41.9	42.7	43.0	na	na	na

na not available

Source: U.S. Bureau of the Census:
Current Industrial Reports (MA23A)

The Canadian Market

The dismantling of tariff barriers between the U.S. and Canada opens a new marketing opportunity for American producers of tailored clothing and furnishings.

Purchases of men's outerwear at retail totaled $3.4 billion Canadian dollars in 1988. Canadian apparel sales approximate 12% of the size of the U.S. market. Men's outerwear volume grew by 2.6% in 1988, according to the Canadian Apparel Monitor, a service of Kormos, Harris & Associates of Nashville. K.H.A. conducts a tracking survey of 4,000 families representative of the Canadian population. Other data produced by the survey estimates sales of various apparel items follows.

(Please note: as of 8/18/89, one U.S. Dollar was equal to approximately 1.2 Canadian Dollars.)

Select Men's Wear Items: 1988
(Retail Canadian dollars)

Items	Retail Canadian Dollar Sales (000)	Percent Growth 1988/87
Suits	$421,543	- 1%
Sport coats	163,741	-24
Dress slacks	227,253	-20
Dress shirts	239,426	- 4

The Canadian market is similar to the U.S. market in that a large portion of apparel sales are made "On Sale". And, a substantial percent of the merchandise is imported.

The Canadian Market (continued)

Select Men's Wear Items: 1988
(% of Retail Canadian dollars)

Men's Items	Average Total Price	Average Regular Price	Units	
			Percent on Sale	Percent Imported
Suits	$212.88	$311.69	71%	37%
Sport coats	91.67	108.82	60	42
Dress slacks	29.16	38.97	66	39
Dress shirts	18.25	26.41	73	61

The pattern of Canadian apparel distribution is somewhat similar to that in the United States, although department and specialty stores are obtaining a larger portion of the business.

Men's Apparel Sales By Type of Outlet: 1987, 1988
(100% = Total Dollar Sales)

	1988	1987
Total	100.0%	100.0%
Department stores	30.0	31.1
Men's Apparel Specialty	32.5	30.8
Unisex Apparel Specialty	12.3	13.5
Discount stores	17.8	17.3
All others	7.4	7.3

THE POTENTIAL MARKET

Population

Studies have shown that tailored clothing wearing starts in the early twenties as young men move out of adolescence into maturity and start to enter the work force. The 25-35 age group represents a growth period. Ages 35-54 represent the peak years of consumption. The period from 55 to 64 is still strong, but represents a decline from the previous period. Purchases by men over 65 decline rapidly. Sport coat wearing, as compared with suits tends to be much greater at the beginning and the end of the cycle.

The numbers of young adults, aged 20-24 and 25-34, is now declining. Both of these periods are important for sport coat wearing. This may be one reason why sport coat purchases have declined in 1988.

The men's tailored clothing industry has been greatly encouraged by the fact that current population trends show that there has been a large increase in the number of men aged 35 to 54. This because the 35 to 54 age group is the key suit wearing group. The increase in suit sales for 1988 and the first quarter of 1989 are attributed to the increase in this portion of the population. This situation will continue through 1995 and will remain strong until the year 2000, as shown in the table below.

Estimated Male Population of the U.S. 1990 with Projections*, 1995 and 2000

	Number (thousands)			% Change	Percent Distribution		
	1990	1995	2000	2000/1990	1990	1995	2000
Total, all ages	122,243	127,123	131,191	7.3%	100.0%	100.0%	100.0%
Under 19 years	36,562	37,366	37,569	3.0	29.9	29.4	28.6
20 years & older	85,651	89,757	93,622	9.3	70.1	70.6	71.4
20-24	9,427	8,830	8,889	- 5.7	7.7	6.9	6.8
25-34	22,078	20,579	18,662	-15.5	18.1	16.2	14.2
35-54	31,191	36,396	40,281	29.1	25.5	28.6	30.7
55-64	10,103	10,149	11,557	14.4	8.3	8.0	8.8
65 & older	12,853	13,803	14,273	11.0	10.5	10.9	10.9
Median age	31.9	33.6	35.8	12.2	--	--	--

* Middle series of three different projections, each based on alternative assumptions for future fertility, mortality and net immigration levels. Includes armed forces overseas.

Note: Columns may not add to totals shown due to roundings.

Source: U.S. Bureau of the Census:
Current Population Reports (Series P-60)

THE POTENTIAL MARKET

Income, Area of Habitation, Education

Research data has consistently shown that the wearing of tailored clothing is associated with higher incomes. 80% of tailored clothing purchases are made by persons with family incomes over $20,000 per annum. Roughly 40% of units and 35% of dollars spent for tailored clothing are purchased by persons with median family incomes in the range of $20,000 to $34,999. 40% of units and over 45% of dollars spent for tailored clothing are purchased by families with household incomes over $35,000.

Studies show that there has been an increase in higher income families. This along with the number of lower income families remaining constant, has resulted in a squeeze of middle income families. The decline of middle grade suit and sport coat manufacturing is suspected to be correlated with the declining importance of the middle class.

Studies also show that over 70% of suit and sport coat sales are made to men with some college education.

66% of all suits and sport coats are purchased by men who live in major cities with a population of over 50,000. Small cities account for 17-20% of sales, which are strongly skewed toward sport coats. Less than 20% of the sales of suits and sport coats are credited with people who live in small towns and rural areas.

Employment

The purchase and wearing of tailored clothing is closely associated with white collar employment. The number of persons so employed has been growing rapidly in the United States, as shown in the table which follows.

Number of Males in Managerial/Professional Occupations 1986, 1988
(In thousands)

	1988	1986	% Change 1988/86
Managerial & professional specialty	16,139	15,030	7.4%
Executive, administrative & managerial	8,626	7,990	8.0
Officials, administrators, public administration	330	271	21.8
Financial managers	289	252	14.7
Personnel and labor relations managers	65	58	12.1
Purchasing managers	75	71	5.6
Managers, marketing, advertising, public relations	328	330	- 0.6
Administrators, education and related fields	287	262	9.5
Managers, medicine & health	79	48	64.6
Managers, properties & real estate	239	202	18.3
Management, related occupations	1,863	1,852	0.6

(continued)

Employment (continued)

Number of Males in Managerial/Professional Occupations 1986, 1988
(In thousands)
(continued)

	1988	1986	% Change 1988/86
Professional specialty	7,513	7,039	6.7%
Architects	122	119	2.5
Engineers	1,673	1,644	- 1.8
Mathematical & computer scientists	488	403	21.1
Natural scientists	300	297(r)	0.7
Health diagnosing occupations	669	619	8.1
Health assessment and treating occupations	325	298	9.1
Teachers, total	1,452	1,356	7.1
Counsellors, educational & vocational	79	80	- 1.2
Librarians, archivists & curators	42	36	16.7
Lawyers & judges	610	532	14.7
Other	1,753	1,857	- 5.6

(r) revised

Source: U.S. Bureau of Labor Statistics:
Employment & Earnings

RETAIL OPERATIONS

Merchandising & Operating Results of Men's & Boys' Tailored Clothing and Furnishings in Department Stores with Total Sales over $2 Million, 1987
(Median Results)

	Men's & Boys' Clothing*	Men's & Boys' Furnishings**	All Men's & Boys' Apparel & Accessories
Net sales, % change from last year	8.9%	7.2%	8.6%
Sales, % to total store sales	4.1%	4.6%	17.6%
$ sales per square foot of selling space (main or largest unit)	$134	$139.5	$123.0
Cumulative markon, %	51.8%	53.0%	52.1%
Markdowns, %	25.7%	17.0%	20.6%
Gross margin, % of sales (incl. cash discounts)	40.5%	37.7%	40.5%
Advertising, % of sales	3.0%	2.7%	2.5%
Selling salaries, % of net sales	6.7	6.9	6.5
Number of stock turns	2.3	2.3	2.5

* Includes suits, sport coats, overcoats, rainwear and dress slacks.
** Includes shirts (dress & sport); sweaters, hosiery, nightwear, underwear

Source: National Retail Merchants Association:
Merchandising & Operating Results in 1987
(1988 Edition)

Selected Merchandising & Operating Results in Men's Wear Stores: 1988
(Median results)

	Men's				
	Tailored Clothing	Suits	Coats	Sport Coats	Dress Slacks
Percent change in sales from last year (75)*	1.9%	5.2%	3.3%	- 1.4%	1.2%
Percent of total store sales (86)*	41.0	17.8	2.2	10.4	8.0
Percent of men's tailored wear sales (78)*	100.0	47.0	5.2	26.7	20.2
Percent distribution of average inventory in men's tailored clothing dept. (45)*	100.0	45.8	4.8	29.3	19.1
Markdowns, % of men's tailored clothing sales (64)*	16.1	15.9	17.2	17.6	13.1
Number of stock turns (50)*	1.5	1.4	1.6	1.4	1.7

* Number of reporting firms in each category

Source: Menswear Retailers of America:
MRA Annual Business Survey (1989 Edition)

Selected Merchandising & Operating Results in Men's Wear Stores: 1988
(Median results)

	Men's					
	Dress Shirts	Neck-wear	Hosiery	Under-wear	Sleep-wear	Head-wear
Percent change in sales from last year (75)*	3.9%	7.9%	8.6%	-6.0%	2.0%	-2.5%
Percent of total store sales (86)*	6.7	4.9	1.2	1.0	0.6	0.5
Percent of men's furnishings sales (78)*	37.4	28.8	6.7	6.0	3.1	2.4
Percent distribution of average inventory in men's furnishings dept. (45)*	39.4	21.4	5.7	6.8	3.6	3.7
Markdowns, % of men's furnishings sales (64)*	10.9	10.6	5.5	6.7	8.4	15.5
Number of stock turns (50)*	1.8	2.1	2.0	1.3	1.4	1.1

* Number of reporting firms in each category.

Source: Menswear Retailers of America:
MRA Annual Business Survey (1989 Edition)

RETAIL OPERATIONS

Department store sales of tailored clothing have been a problem area for many years. Service requirements in sales and fitting have cut into profits. Then, markdowns and low rates of turn-over have made such lines undesirable. To some extent, emphasis on "suit separates" and sport coats and slacks, which may only rarely require alterations, have enabled department stores to recover some ground. Sales of slacks and dress shirts have held up reasonably well in department stores.

Mass merchandisers have not made much progress in tailored clothing and may even be losing ground. For example, Sears, Roebuck discontinued the product category entirely in early 1989, although the company subsequently agreed to lease departments to a subsidiary of Hartmarx.

Discounters have also failed to penetrate the tailored clothing area and they may be losing ground. Among their problems is the fact that they do not have a customer base which is interested in tailored apparel. In addition, they would find it difficult to meet the service requirements. Low turn-over and markdowns would also be problems for them.

Specialty stores have traditionally held the largest share of tailored clothing sales, but this position has tended to erode in recent years. Specialty store markups tend to be very high. Most merchandise is sold "on sale" at reduced prices, cutting into profits. Poor profitability has forced many individually owned specialty stores out of business.

Off-price specialty stores have scored the greatest sales gains in recent years. To a great extent, this is taking place on the basis of centralized inventory control by computer which has the effect of reducing inventories in each store, enabling quick and frequent resupply of individual stores and a reduction in markdowns.

CONSUMER PURCHASING PATTERNS

The Department of Labor conducts an ongoing Consumer Expenditure Survey covering a national probability sample of U.S. households representing the total civilian non-institutional population of the U.S. The primary objective is to provide information on consumer spending patterns to be used as a basis for revising the Consumer Price Index, as well as to provide information not otherwise available to marketers on household spending in terms of demographic characteristics.

Results from the 1986 survey, released April 1988, show the following pattern in spending for apparel for males age 16 and over in the U.S. and in the four regions of the country. Total U.S. households represented numbered approximately 93,741,000.

Pattern in Household Expenditures for Specified Men's Wear By Regions: 1986

	All U.S. Households	Households In The-- Northeast	Midwest	South	West
Number of Households (consumer units)* (thous.)	93,741	19,887	23,597	31,848	18,409
Total spending for apparel for men age 16 & over	100.0%	100.0%	100.0%	100.0%	100.0%
Coats, jackets	9.4	12.0	10.5	7.2	8.4
Sweaters, vests	6.5	6.2	7.2	6.0	6.7
Suits	17.2	20.0	15.9	17.4	15.3
Sport coats	6.8	5.7	7.8	7.1	6.4
Trousers, slacks, dungarees	21.2	20.1	19.6	23.4	21.2
Shorts, short sets	2.8	2.2	2.3	3.6	2.9
Sportswear	4.1	3.3	3.3	4.1	5.9
Shirts	17.6	16.6	16.6	18.9	18.3
Underwear	3.5	3.8	3.5	3.3	3.4
Nightwear, loungewear	1.2	2.5	1.1	0.9	1.5
Hosiery	2.3	2.2	2.2	2.0	2.8
Accessories	4.1	4.0	4.2	4.2	4.2
Uniforms	1.1	0.8	0.9	1.1	1.9
Other clothing	2.0	1.6	4.9	0.8	1.1

* Includes financially independent single persons living alone or sharing a household with others; members of a household with either related or unrelated members who share responsibility for major expenses and are not financially independent.

Source: U.S. Bureau of Labor Statistics:
1986 Consumer Expenditure Survey

Percent of Spending For Specified Men's Wear Accounted For By Region

	Total	Northeast	Midwest	South	West
Number of households (consumer units)* (thous.)	93,741	19,887	23,597	31,848	18,409
Total # of households	100.0%	21.2%	25.2%	34.0%	19.6%
Spending:					
Men's wear, total	100.0	25.1	23.3	29.6	22.0
Coats, jackets	100.0	31.9	25.8	22.6	19.7
Sweaters, vests	100.0	24.1	25.9	27.4	22.6
Suits	100.0	29.0	21.6	29.8	19.6
Sport coats	100.0	21.3	26.8	31.0	20.9
Trousers, slacks, dungarees	100.0	23.7	21.6	32.7	22.0

(continued)

Percent of Spending For Specified Men's Wear Accounted For By Region
(continued)

	Total	Northeast	Midwest	South	West
Shorts, short sets	100.0%	19.5%	19.1%	38.4%	23.0%
Sportswear	100.0	20.3	18.8	29.6	31.3
Shirts	100.0	23.6	22.0	31.6	22.8
Underwear	100.0	27.5	23.2	28.2	21.1
Nightwear, loungewear	100.0	30.9	19.9	22.3	26.9
Hosiery	100.0	24.3	22.3	26.2	27.2
Accessories	100.0	24.2	23.5	30.0	22.3
Uniforms	100.0	17.1	17.8	28.0	37.1
Other clothing	100.0	19.3	56.9	11.5	12.3

* Includes financially independent single persons living along or sharing a household with others, members of a household either related or unrelated members who share responsibility for major expenses and are not financially independent.

Source: U.S. Bureau of Labor Statistics:
1986 Consumer Expenditure Survey

A forecast of sales of apparel and of major product categories is regularly made by Kurt Salmon and Associates. This is based on information collected by the KSA/NPD Purchase Panel reports.

Year-to-Year Changes in Purchases of Specified Men's Wear, 1985-1989
(% change in units)

	Projected 1989/1988	88/87	87/86	86/85
Reported men's wear	+1	+1	+ 3	+3
Tailored clothing	nr	-6	- 7	+7
Dress shirts	(+)	+3	+ 7	-3
Slacks	(+)	+1	+ 7	-3
Underwear	(+)	+2	-0-	+5
Neckwear	(+)	+8	+10	-8
Men's Hosiery	nr	+2	+ 3	-3

(+) increase expected, but as of yet not reported
nr not reported

Source: Kurt Salmon Associates: Soft Goods Outlook for 1989
KSA/NPD Quarterly (Dec. 1988). Based on KSA/NPD Purchase Panel of 11,500 households.

CONSUMER PURCHASING PATTERNS

The KSA Perspective anticipates generally sluggish sales for all apparel and for tailored clothing in particular, in part because of the sharp increase in raw wool prices.

Purchases of Selected Categories of Men's Wear:
1987-1988
(Figures in millions)

	Units		% Change	Dollars		% Change
	1988	1987	1988/87	1988	1987	1988/87
Suits*	19.0	20.5	- 7.3%	$2,757.6	$2,673.7	3.1%
Sport coats**	19.2	21.8	-11.9	1,482.9	1,570.8	-5.6
Pants/slacks***	170.5	169.0	0.9	3,340.8	3,188.9	4.8
Dress shirts	180.3	181.4	- 0.6	2,505.1	2,381.8	5.2

* Includes suits separates
** Includes blazers
***Does not include jeans

Source: KSA/NPD Purchase Panel

By Type of Outlet

Purchases of Specified Categories of Men's Wear by Retail Outlet:
1987-1988
(% of dollar expenditures)

	Dollars			Dollars	
	1988	1987		1988	1987
Men's suits	100.0%	100.0%	Men's pants/slacks	100.0%	100.0%
Department stores	20.4	18.8	Department stores	30.6	30.3
Mass merch. stores*	12.2	15.3	Mass Merch. stores*	21.8	21.8
Discount stores**	1.8	3.8	Discount stores**	12.5	13.3
Specialty stores	42.6	44.2	Specialty stores	17.1	18.2
All other outlets	23.0	17.9	All other outlets	18.0	16.4
Men's sport coats	100.0	100.0	Men's dress shirts	100.0	100.0
Department stores	25.2	22.9	Department stores	32.1	31.4
Mass merch. stores*	17.3	20.3	Mass merch. stores*	17.5	18.4
Discount stores**	3.3	5.7	Discount stores**	13.2	13.9
Specialty stores	32.7	31.7	Specialty stores	15.9	18.0
All other outlets	21.5	19.4	All other outlets	21.3	18.3

* Includes Sears/Penney/Ward
**Includes K-Mart

Source: KSA/NPD Purchase Panel

CONSUMER PURCHASING PATTERNS

By Price Paid

% of Purchases of Suits and Sport Coats by Price Paid: 1987, 1988
(% of Retail dollars)

	% of Retail Dollars			% of Retail Dollars	
	1988	1987		1988	1987
Men's suits	100.0%	100.0%	Men's sport coats	100.0%	100.0%
Under $100	16.6	20.8	Under $50	14.6	22 2
$100- 149.99	17.3	20.5	$50- 74.99	20.7	27.4
$150- 199.99	21.5	20.8	$75- 99.99	24.5	17.9
$200- 249.99	12.5	9.8	$100-149.99	17.9	18.1
$250- 299.99	8.0	8.9	$150-199.99	9.6	11.9
$300+	23.9	19.2	$200 plus	12.6	13.3

% of Purchases of Pants/Slacks and Dress Shirts by Price Paid: 1987, 1988
(% of retail dollars)

	% of Retail Dollars			% of Retail Dollars	
	1988	1987		1988	1987
Men's pants/slacks	100.0%	100.0%	Men's dress shirts	100.0%	100.0%
Under $10.00	6.4	7.1	Under $10	19.1	22.2
$10.00 to 19.99	38.4	42.2	$10- 19.99	52.3	51.6
$20.00- 29.99	30.1	29.1	$20- 29.99	19.3	19.2
$30.00- 39.99	14.2	10.9	$30.00+	9.3	7.1
$40.00- 49.99	4.0	4.2			
$50.00+	6.9	6.5			

Source: KSA/NPD Purchase Panel

Both KSA/NPD Purchase Panel data and the Bureau of Census data on production by price range indicate a sharp decrease in the number of popular priced suits selling for under $100 at retail. Sales of medium priced suits have also declined slightly. The medium price range might be considered the $100-$199 price area. The total of medium priced sales is down by 2.5%. (This is in dollars, not units.) On the other hand, there has been a major increase in the dollars represented by suits over $200; 44.4% from 37.9%, an increase of 6.5% in one year.

The most important reason for this upward movement has been the increase in the price of raw wool. However, manufacturers are more or less driven to stay with price brackets in which they have established themselves. If the price of wool escalates, the tendency is to reduce the percentage of wool in blends. Indeed this is exactly what has happened. Suits, which formerly were 50%-50% blends, become 65% polyester/35% wool or even 80% polyester/20% wool. And the number of 100% polyester suits has increased. The data shows, however, that the expensive suit business is much better than the popular or medium priced area, even though total volume is off.

By Price Paid (continued)

In the sport coat area, the pattern of sales by price level is quite different. The low price sector might be considered to include those sport coats selling for under $75 at retail. There was some decline in sales from 39.6% to 35.3%. However, there was a significant growth in the mid-price ranges ($75 to $149.99). Sales increased from 36% to 42.4% while higher priced sales dropped from 24.4% to 22.2%. This happened at a time when raw material prices were similar for both suits and sport coats.

The important thing about sport coat sales is that they are more sharply skewed toward the popular and medium price levels. Research data shows that young men, moving out of jeans into mature apparel are more likely to buy sport coats and slacks than they are to buy suits. The first suit purchase is actually a sport coat. Sport coat purchases are heavily concentrated in the 25 to 29 age brackets. And the prices at which sport coats are purchased reflects the more modest means of young men moving into the work force.

The pants/slacks data shows clearly the impact of the sharp rise in wool prices on sales of dress slacks in the $30 and up price ranges. The dress shirt data doubtless reflects generally inflationary pressures.

By Fabric Content

% of Purchases of Specified Categories of Men's Wear By Fabric Content: 1987, 1988
(% of Retail dollars)

	% of Retail Dollars	
	1988	1987
Men's suits	100.0%	100.0%
Poly dominant	36.4	30.7
100% poly	6.0	7.9
Poly/wool	20.6	22.3
Other poly	9.8	8.5
Wool dominant	56.6	59.2
100% wool	49.6	48.7
Other wool	7.0	10.6
All other fabrics	7.0	2.1

	% of Retail Dollars	
	1988	1987
Men's pants/slacks	100.0%	100.0%
Poly dominant	53.5	56.2
100% poly	19.4	21.3
Poly/cotton	11.8	15.0
Poly/wool	10.1	7.9
Other poly	12.2	12.0
Cotton dominant	37.8	34.6
100% cotton	21.7	16.6
Cotton/poly	15.8	17.7
Other cotton	0.3	0.2
All other fabrics	8.7	9.2

(continued)

CONSUMPER PURCHASING PATTERNS

By Fabric Content (continued)

% of Purchases of Specified Categories of Men's Wear By Fabric Content: 1987, 1988
(% of Retail dollars)
(continued)

	% of Retail Dollars			% of Retail Dollars	
	1988	1987		1988	1987
Men's sport coats	100.0%	100.0%	Men's dress shirts	100.0%	100.0%
Poly dominant	36.8	42.9	Poly dominant	41.2	48.8
100% poly	6.3	8.8	Poly/cotton	31.6	34.5
Poly/wool	18.6	17.4	Other poly	9.6	14.3
Other poly	11.9	16.7	Cotton dominant	57.8	50.4
Wool dominant	42.6	41.1	100% cotton	17.7	15.6
100% wool	35.2	34.1	Cotton/poly	39.9	34.4
Other wool	7.3	7.0	Other cotton	0.2	0.4
Silk dominant	7.6	5.6	All other fabrics	1.0	0.8
All other fabrics	13.0	10.4			

Source: KSA/NPD Purchase Panel

By Month

% of Purchases of Selected Categories of Men's Wear By Month
1987, 1988
(% of Retail dollars)

	Men's							
	Suits		Sport Coats		Pants/Slacks		Dress Shirts	
	1988	1987	1988	1987	1988	1987	1988	1987
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
January	9.4	10.3	9.5	8.6	5.5	7.0	5.4	5.7
February	7.2	5.6	6.7	7.6	5.5	4.8	4.6	5.3
March	7.9	9.2	9.7	8.9	7.8	7.4	6.2	5.8
April	11.0	5.8	9.8	9.9	8.5	6.6	7.7	6.8
May	5.8	7.3	8.9	10.8	8.0	9.1	7.7	6.1
June	7.5	6.8	7.8	8.6	10.3	10.5	10.3	8.7
July	7.2	10.9	5.2	7.6	7.6	7.9	5.4	7.0
August	5.6	6.5	5.3	5.9	7.7	8.5	7.4	6.4
September	9.2	6.7	4.6	5.4	6.4	6.6	5.9	6.6
October	9.4	9.4	8.6	6.5	8.3	7.7	9.1	9.7
November	8.7	10.5	10.3	9.2	9.9	9.3	10.0	11.7
December	11.1	11.0	13.5	11.1	14.3	14.6	19.4	20.4

Source: KSA/NPD Purchae Panel

SCHEDULE OF ADDITIONAL FACT FILES

The Children's Market: Infants', Toddlers', Girls' and Boys' (Apparel, Juvenile Products, Toys/Dolls): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

Consumer Market Developments (1989 Edition): An overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are inclued as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

Department Store Sales (1989 Edition): Outlines ownership change/reorganizations in the past year affecting major department and specialty stores. Buying headquarter locations of stores are listed with information on sales and number of outlets included in this total. Notes are included on plans to open and/or close stores. Sales and outlet information is separately listed for corporate headquarter and for national chains.

Dresses (Women's, Misses' & Juniors'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, and value of shipments, industry location and trends in employment levels. Analyzed is the governing impact of imports on total U.S. market supply. Reatil sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

Fashion Accessories (Men's and Women's): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

Footwear (Men's, Women's, Boys', Girls') (A 1989 Edition): A statistical summary of the U.S. footwear industry and U.S. market. Covers domestic production and shipments, and details trends in imports and their share of the dends in the market aromestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising results for shoe departments.

Home Textiles & Related Products: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/ draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

Hosiery/Legwear/Bodywear (Men's, Women's, Boys' Girls'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections and estimates are included on retail sales of major products by type of retail outlet.

Household Appliances, Electric Housewares: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

Household Furniture and Bedding: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

Men's Clothing and Furnishings: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work,/career apparel/and tailored wear in both department and men's wear stores.

Men's Sportswear, Casual Wear, Outerwear: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

The Sports/Fitness/Leisure Markets: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics and sports participation levels and purchases of specific sports equipment. Also buying habits in relation to activewear and sports equipment.

Sportswear, Casual Wear, Separates (Women's, Misses' and Juniors'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

The Textile/Apparel Industries: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

Toiletries, Cosmetics, Fragrances and Beauty Aids: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

Women's Inner Fashions: Nightwear, Daywear and Loungewear: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market aromestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising results for shoe departments.